

TOWNSHIP OF EDISON SCHOOL DISTRICT

Edison, New Jersey
County of Middlesex

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
TOWNSHIP OF EDISON SCHOOL DISTRICT
EDISON, NEW JERSEY**



**PREPARED BY DISTRICT FINANCE OFFICER
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

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INTRODUCTORY SECTION

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Public Schools of Edison Township

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Edward Aldarelli, Ed.D.
Superintendent of Schools

Jonathan Toth
Business Administrator/Board Secretary

April 17, 2023

Honorable President and
Members of the Board of Education
Edison School District
County of Middlesex, New Jersey

Dear Board Members:

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

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

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the District to explain in layman's terms its financial position and results of operations of the past fiscal year. The comparative data which is available from the prior year with respect to the reporting of the Statement of Net Assets and Statement of Activities under GASB No. 34, allows for the inclusion of comparative data for both statements in the MD&A section of this report.

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 basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance)*; and New Jersey OMB's Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and its Services: Edison School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Edison Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Preschool through 12. These include regular, vocational, bilingual as well as special education for educationally handicapped youngsters.

The District operated the 2021-2022 fiscal year with an average daily enrollment (ADE) of 16,234 students, which is below the previous year's ADE. The following details the changes in the student enrollment of the district over the last ten years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2021-2022	16,234	-0.76%
2020-2021	16,333	-0.95%
2019-2020	16,490	0.90%
2018-2019	16,344	1.64%
2017-2018	16,081	3.53%
2016-2017	15,532	2.89%
2015-2016	15,096	2.71%
2014-2015	14,697	1.38%
2013-2014	14,497	0.90%
2012-2013	14,367	1.06%

2. Board of Education Policy Statement: The Public Schools of Edison Township holds as its foremost mission the continuation of its tradition of graduating students with the highest level of academic preparation. Within this context, the Public Schools of Edison Township provide each student with an opportunity to acquire the knowledge and skills needed to become responsible and productive citizens in our democratic and fast changing society and where there is nothing less than excellence.
3. Major Initiatives: Teachers and staff were trained for remote and hybrid teaching. Teacher teams developed lessons appropriate for remote learning. The Staff Development Team supported teachers throughout the year. In addition, teacher teams updated resources, materials and novels to be more inclusive and to reflect our diverse population. The District initiated the Early College Program, working with Middlesex College to broaden the dual enrollment program. Now, students have the opportunity to earn an Associate Degree while completing their high school requirements.

Professional Development Activities: Edison's professional development program is a comprehensive system of professional learning geared at serving the district's teachers, supervisors, administrators, and support staff in a thorough and effective manner. All program services are predicated on teacher and program needs identified in analysis of student achievement data, focus group input, school level plans, and faculty and departmental meetings.

Components of the professional development program include mandated staff development for all non-tenured teachers, totaling seven full days of training and a minimum of three classroom observation and coaching visits over a four-year period. Three after school cohorts are also provided to our first year teachers to reflect on their teaching practice with colleagues across the district. In addition, a mentoring program is provided to all provisional first year teachers, with a collaborative virtual learning space that provides resources, tools, and question forums, as well as a mandated training. The District also provides Professional Development Institute (PDI), which offers certificated and non-certificated staff PDI hours, leading to salary increments, for their voluntary participation in an array of curriculum and instructionally relevant workshops offered after school and virtually. More than 800 certificated and non-certificated staff took advantage of these after school programs during the 2021-2022 school year. All teachers, at the elementary level, have an added resource of coaching from the district's instructional coaches, and at the secondary level, all buildings have learning leaders who open their classrooms to share best practices.

Building Projects-Renovations: During the 2021-2022 school year, the district's major improvements to the school buildings and sites included projects such as installation of additional student lockers and replacement of existing student lockers at John P. Stevens High School, boiler replacement project at Lincoln Elementary School, installation of outdoor LED signs at John Adams Middle School and James Madison Intermediate School, and roof replacement projects at Edison High School, John Adams and Woodrow Wilson Middle Schools, James Madison Intermediate School, and Woodbrook Elementary School. The district has continued its security improvement plan by installing additional security cameras districtwide.

The district has continued its on-going replacement of deteriorated parking lots, playgrounds, sidewalks and curbing.

Multi-Year Equity Plan: Our schools continue to promote a positive, supportive environment for learning. Middle schools continue to focus on bully and harassment prevention training by emphasizing student skill development in conflict resolution, active listening and empathy awareness. High Schools address multi-cultural and peer leadership program with elementary schools stressing a broader array of skills encompassed in the Character Counts and Positive Behavior Support In Schools Programs.

The 2019-2022 Comprehensive Equity Plan was approved by the Board on June 17, 2019 for submission to the County Superintendent. This three-year plan, based upon self-study, incorporates equity training, affirmative action, equality in education, staff development, minority staff-recruitment, and desegregation mandates.

The District's Equity Plan for 2019-2022 focuses on equality and equity in school and classroom procedures, prohibiting harassment, annual training for certified and non-certified staff, narrowing the achievement gap.

Elementary schools have increased the number of staff trained in Responsive Classroom and will continue to do so this year. The program is a student-centered, social and emotional learning approach to teaching and discipline. In addition, administration was introduced to restorative discipline, to take steps towards reducing punitive measures and instead, consider the impact and equilibrium of the community.

Middle level students participate in programs to ensure equity and a positive school climate, supportive guidance counseling services, and co-curricular programs for all students. The District continues to serve as a model for collaborative teaching. This past year, building-level teams of teachers, led by their principals and the learning leaders, participated in several professional development sessions to learn about and implement remote and hybrid learning.

The district has continued its efforts to recruit faculty/staff to increase the representation of qualified minorities in the Edison Public Schools.

Technology Infrastructure:

The Department of Technology is committed to the improvement of teaching and learning by linking the appropriate information technologies to education. The 2021-2022 school year continued to provide challenges as we provide uninterrupted technology services during the pandemic.

The Department of Technology provides leadership in the use of computers and related technologies, working collaboratively with schools and departments to ensure the effective use of technology across the disciplines. Access and the proper use of technology will enhance the learning process to better prepare our students to meet today's and tomorrow's challenges in a changing world.

As a result of the Edison Technology Program, students will understand important issues in a technology-based society and will exhibit ethical behavior in the use of technology. Students will access, apply, interpret, analyze, synthesize, and communicate information using a variety of technologies. In addition, they will use the computer as a tool for problem solving and logical thinking.

As a responsible district, the Edison implements a multi-level staff/ student safety plan with a high-alert and concentration in cybersecurity, data privacy and behavior monitoring with the Gaggle Safety Management Team.

Students and Staff continue to benefit from district's progressive technology initiatives. Even with a robust and reliable technology infrastructure, we continue to evaluate newer technologies and plan upgrades accordingly, based on equipment age, serviceability, performance demands, and newer technologies that will allow the district to leverage technologies with future cost savings. Following this philosophy, in 2021-2022, the district utilized the Federal Erate program to upgrade our network infrastructure. The district migrated from Cisco 3750/3600 environment to the 9300/9200 series infrastructure. We also upgraded our legacy firewalls to new Cisco Firepower firewalls.

The district leverages Altice's Private Fiber Network to interconnect district buildings. The buildings connect via 1GB fiber-optic links back to the district's (2) two datacenters. The datacenters are connected via 10Gb fiber link. Each datacenter houses servers, Internet connections, content filters and firewalls.

Below is an overview of the district's technology:

- Meraki wireless infrastructure to assure seamless wireless coverage.
- Cisco network core data switches, firewalls and Lightspeed content filters which are continuously adjusted and monitored to optimize performance.
- Cisco/ VMware virtualized servers for optimum performance and efficiency.
- Disaster recovery includes a local backup presence as well as a cloud-based service.
- Main data center located at The Education Center. The site includes virtualized servers, content filters, and a firewall. We upgraded The Education Center's Internet connection from a 3GB Internet circuit to a 5GB.
- Redundant data center located at John P. Sevens High School. The site includes virtualized servers, content filters, and a firewall. We upgraded JPS's internet connection from a 1GB Internet circuit to a 5GB.
- Redundant Fiber Network: A redundant 1GB fiber optic network was created from our second data center to every location in addition to a 10GB link between our 2 data centers. The redundant network provides load balancing and redundancy.
- The district continues to leverage Google Apps for Education for staff & student email and data storage.
- To support virtual and hybrid learning, the district issued T-Mobile hotspots to children who do not have home Internet access. The district applied and was awarded a T-Mobile grant that allowed the district to provide hotspots free of cost.

Technology Devices:

Taking guidance from the Edison Board of Education's Curriculum & Technology Committee, the strategy for student device continues to evolve. The 2021-2022 school year saw the following changes:

- Kindergarten: New fleet of Apple iPads
- Grade 1: Switched from Apple iPads to Touch/Flip Chromebooks
- Grade 2: New fleet of Touch/Flip Chromebooks
- Grade 3: New fleet of Touch/Flip Chromebooks

The district standardizes their devices across grade levels. The Department of Technology distributed and continues to maintain over 25,000 wired and wireless devices to staff and students which includes Apple iPad, Chromebooks, and Apple MacBook Airs. In addition to the mobile devices, each school has PC labs for specialized applications and administrative use.

The following is a breakdown by grade:

- Elementary Schools:
 - o Kindergarten: Apple iPads
 - o First Grade: Flip/Touch Chromebooks
 - o Second Grade: Flip/Touch Chromebooks
 - o Third Grade: Flip/Touch Chromebooks
 - o Fourth Grade: Clamshell Chromebooks
 - o Fifth Grade: Clamshell Chromebooks
- Middle Schools:
 - o Sixth Grade: Clamshell Chromebooks
 - o Seventh Grade: Clamshell Chromebooks
 - o Eight Grade: Clamshell Chromebooks
- High Schools:
 - o Freshman: Apple Air MacBook
 - o Sophomore: Apple Air MacBook
 - o Junior: Apple Air MacBook
 - o Senior: Apple Air MacBook

In addition to the hardware and infrastructure components, each student receives a Google Apps for Education account to login for such services as email, document management and grade level specific applications and Classlink as our SSO (single sign-on).

Technology Phone System

The district continues to benefit and leverage features of a recently installed Cisco system

Classroom Interactive Audio / Visual Solution

Promethean Boards/Projectors - Promethean Boards continue to be utilized in K-8 classrooms as an interactive/collaboration tool.

Epson Projectors - The high schools are moved towards a 'college environment' for a projector solution. As the older projection units reach an 'end of life cycle,' a non-interactive Epson ultra-short throw projector with HDMI and VGA options are being installed. This solution provides the teacher with flexibility regarding the device type that can be implemented for classroom instruction. For classroom environments where interactivity is required, a Promethean interactive solution is installed.

Student Information System & Learning Management System

Genesis continues to be the district's student information system with expanded features to all of the schools. Integration between the Genesis system and other learning and content delivery systems has expanded to over two dozen applications. Most of the applications used in the district allow students to login through a single sign on. In a District of more than 16,000 students there is nearly a 100% parent participation rate in the use of the Parent Portal. Since 2017, parents have had the ability to submit student information forms electronically via the Genesis Parent Portal and high school students have had access to a 'Student Portal' where they are able to view their schedule, track assignments, grades and receive important information. The Genesis Parent Portal, district website, and Blackboard telephone/mass-email and messaging systems continue to provide a rapid multi-platform means of external communication to parents and the public. Google Classroom is the primary means of delivering lesson plans and content as well as allowing for integration of content from such providers as Discovery Education and others. Google Classroom is providing students and teachers with a virtual means of interacting and collaborating that just a few years ago was unheard of and while students continue to head to class the brick and mortar of yesterday is being replaced with a limitless horizon of learning opportunities for students and teachers.

The Edison Township Public School district understands the importance of technology in the education process. Through strategic planning and responsible fiscal investments, the Edison Public Schools is rapidly becoming New Jersey's premier district in technology integration and while demonstrating its leadership and commitment to the education of students, staff, and all of the stakeholders in the community, the Edison Public Schools is a greener and richer learning environment.

Innovative Programs: The Edison schools actively pursue collaborative relationships with various agencies, ranging from local community organizations, including The Edison Municipal Alliance, JFK Hospital, Middlesex College, Kean University and Rutgers University.

Special Education: In the 2021-2022 school year, the Edison Township Public School district provided thirty-two autistic classes located across several elementary schools, three middle schools, and one high school. The district has six multiple disabilities classes: three multiple disabilities classes located at Menlo Park Elementary School, one multiple disabilities class at John Adams Middle School and two multiple disabilities classes located at John P. Stevens High School. The district has eleven Learning Language Disabilities Classes from Kindergarten thru 12th grade located at James Madison Intermediate and Primary schools, Lindeneau Elementary School, Herbert Hoover Middle School and Edison High School. The district has fourteen half-day pre-school disabled classes, four integrated half-day pre-school classes, and thirteen full-day pre-school disabled classes. The preschool classes are located at the Edison Early Learning Center and the Franklin D Roosevelt Preschool. All of the special class programs include daily opportunities for inclusion within the general education setting. The district focuses on in-class resource but has a small number of pull-out resource programs. The district provides a wide variety of individualized supplemental aides and services, which helps students to remain in their home schools and within their least restrictive environment. Finally, several elementary and middle schools use PBSIS as part of Character Education.

The district continues to address the quality of instruction delivered to students by providing teachers with comprehensive professional development and targeted in-service training. These professional development and in-service activities are organized and implemented to improve and reinforce the skills and knowledge for effective classroom teaching and learning (e.g. Phonics First, High Scope Curriculum, Mindplay; social skills; instructional techniques based on the philosophy of applied behavior analysis (ABA), *Crisis Prevention Institute (CPI)* training, differentiated instruction, and multi-sensory instruction). Lastly, the district provides a variety of transitional opportunities and services through its Community Based Instruction (CBI) activities and Structured Learning Experiences (SLE) (e.g. onsite ShopRite at Edison High School, onsite Farm Stand at John P. Steven High School, off site supervised career exploration and job training thru local township business partners).

The district provides extensive supports, services, and training opportunities for parents. Parent training workshops and specialized parent clinics are presented by the district Behaviorists, teachers, speech language specialist, contracted providers, and Child Study Team members in collaboration with the special education supervisors. These workshops and parent clinics provide support and teach skills to parents who need additional assistance and are focused on helping students generalize skills outside of the school setting. The district has a Special Education Advisory Council and a separate Parent Advisory Committee, which meets regularly. The district provides additional supports for parents and teachers through web-based training modules at Rethink (www.rethinkd.com). Finally, the district directs parents to and assists them in accessing appropriate community-based and state level resources and supports.

Community Involvement: Throughout the year, active community involvement is planned, fostered, and carried out. In 2021-2022 students took initiative to provide online tutoring for their peers in a remote format. As needs appeared due to remote learning and the Covid -19 pandemic, schools responded to community needs such as holding an in house food pantry, sending food home to students, and stocking clothing closets for anyone who might need. Central Administration initiated a Diversity Committee with representatives from all stakeholder groups.

Program Enhancement and Enrichment: The district continues to prioritize academic achievement for all learners in a productive school climate given the following initiatives:

Elementary Schools

- A new science program was chosen for implementation in 2022-2023. The program is hands-on.
- The Gifted and Talented Program was modified for implementation in 2021-2023.
- Collaborative classroom was implemented — K-5.

Middle Schools

- Utilized Linkit! Benchmarks at all middle schools to provide the teacher with students' academic strengths and weakness to help guide their instructional planning.
- Programs for students needing additional support in Language Arts and Mathematics were offered before and after school.
- Summer math pilot for identified students moving from grade 5 to grade 6 to qualify them for higher level of math placement.
- Summer math program for academically strong grade 7 students who were able to complete Algebra in the summer.
- Summer program for 2022-22 Algebra and Geometry students to accelerate the learning and prepare them for the upcoming year.
- Camp Acceleration was developed to take the place of summer school failure makeup. Students were supported academically and emotionally and worked through many activities to develop self-efficiency.

High Schools

- Offered on-line and summer SAT prep program.
- Identified students struggling in math and assigned them to work with one of two Math Interventionists.
- Programs for students needing additional support in Language Arts and Mathematics were offered before and after school.
- All students are using Google Classroom.
- Graduated our fourth cohort of students from the Science and Engineering Academy at Edison High School, with 100% of students gaining acceptance to college.

4. Economic Condition and Outlook: The Township of Edison continues to enjoy the benefits of its significant ratable base, one of the largest in the State of New Jersey. While the economic situation affecting the U.S and this region has resulted in a reduction in assessed valuations in recent years, it is expected further growth will continue in the industrial and commercial areas of the Township because of its proximity to major markets and accessibility by rail, interstate highways and waterways. The U.S. Census Bureau, Sales Management Magazine and the New Jersey Department of Labor and Industry recognize the Township's contributions to economic life to the region and record separate tabulations of statistics for the Township of Edison. The 2010 U.S. Census Bureau reported the Township's median family income to be \$86,725 as compared to the State average of \$71,274, and the Township's per capita income at \$36,464, compared to the State average of \$35,336.

5. Management's Responsibility for Financial Reporting: The management of the school district is responsible for the preparation of the financial statements included within the ACFR and for their integrity and objectivity. In order to enable the District to fulfill its obligation for accurate and fair financial reporting, management is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, 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.

6. 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 the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at year-end.

7. Accounting System and Reports: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

8. Financial Information at Fiscal Year-End: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The District also continues to provide the excellent educational environment found in the Edison Public Schools at a cost per pupil factor that is well below the regional and state averages. This is due in part to the District's costs incurred for administrative services, which are also well below the respective regional and state averages. Information related to the District's financial statements and condition is found in the Financial Section and Statistical Section of this report.

9. Debt Administration: Effective November 3, 1992, as a result of a decision by the electorate, the Board operates as a Type II District. Prior to that date, the Board was classified as a Type I School District and the Board did not issue debt as an autonomous agency. Type I debt for the school district was issued by the Township of Edison as a direct obligation of the municipality. At June 30, 2022, the balance of funds available in the capital projects fund totals \$303,304. Also at June 30, 2022, the District has Type II Debt of \$1,000,000 and obligations due on lease-purchase transactions and capital leases in the amount of \$6,490,220. There is no longer any Type I District debt outstanding.

10. Cash Management: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to Financial Statements", Note 2. The District deposits its funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

11. Risk Management: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents fidelity bonds, health insurance benefit plan and workers' compensation fund.

12. Other Information:
 - A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison P.C. was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984, as amended, and the related *Uniform Guidance* and New Jersey OMB Circular 15-08. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

13. Acknowledgments:

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

Respectfully submitted,



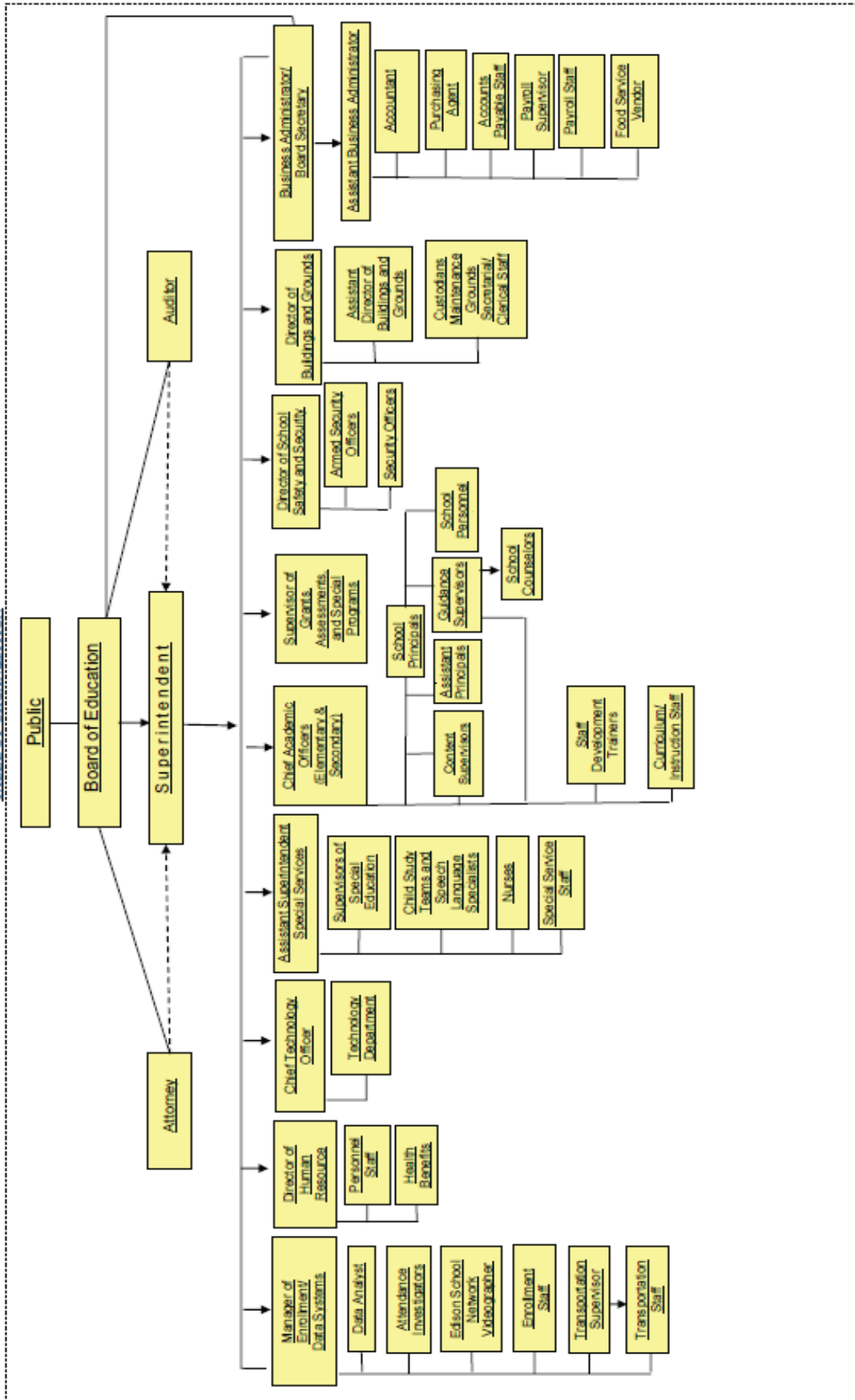
Edward Aldarelli, ED.D.
Superintendent of Schools



Jonathan Toth
Board Secretary/ Business Administrator

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**PUBLIC SCHOOLS OF EDISON TOWNSHIP
TABLE OF ORGANIZATION**



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**TOWNSHIP OF EDISON SCHOOL DISTRICT
EDISON, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2022**

Members of the Board of Education

TERM EXPIRES

Douglas Schneider, President	2025
Shiyi Madhukar, Vice President	2023
Shannon Peng	2023
Carol Bodofsky	2023
Dr. Kevin Hajduk	2023
Mohin K. Patel	2024
Jingwei (Jerry) Shi	2024
Virginia R. White	2024
Biral Patel	2025
Brian Rivera	2025

Other Officials

Edward Aldarelli, Ed.D., Superintendent of Schools

Jonathan Toth, School Business Administrator/Board Secretary

David Rubin, Board Attorney, Busch Law Group - General Counsel

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
EDISON, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2022**

AUDITOR/AUDIT FIRM

Jerry W. Conaty, CPA, PSA, CFE, RMA
Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave., Suite 3
Lakewood, NJ 08701

ATTORNEY

David B. Rubin, Esq.
Busch Law Group LLC
450 Main Street
Metuchen, NJ 08840

OFFICIAL DEPOSITORY

Investors Bank
946 Amboy Avenue
Edison, NJ 08837

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FINANCIAL SECTION

Second Section

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Township of Edison School District
County of Middlesex
Edison, New Jersey

Report on 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 Township of Edison School District, County of Middlesex, State of New Jersey, as of and for the fiscal year ended, June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2022, and the respective changes in the financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, and State of New Jersey. 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 School District and to meet our 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls 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 School 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 Responsibility

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 opinion. 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 generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 School 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 School 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, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's 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 combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 April 17, 2023 on our consideration of the School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School District’s internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant Public
School Accountant, No. 2470

Lakewood, New Jersey
April 17, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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TOWNSHIP OF EDISON SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2022 UNAUDITED

This section of the Township of Edison School District's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on 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.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2021-2022) and the prior fiscal year (2020-2021) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2022 are as follows:

- In total, net position of governmental activities increased \$26,441,282.61, which represents a 21.25% increase from 2021. Total net position of business-type activities increased \$1,618,656.80, which represents an increase of 85.58% from 2021.
- General revenues accounted for \$281,948,351.46 in revenue or 82.15% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$61,243,882.80 or 17.86% of total revenues of \$343,192,234.26.
- Total assets of governmental activities increased by \$40,730,080.17 as cash and cash equivalents increased by \$11,332,571.94, receivables increased by \$7,485,701.84, and total capital assets increased by \$20,857,391.39.
- Total liabilities of governmental activities increased by \$5,050,260.56 as long term liabilities decreased by \$17,470,700.25
- In the governmental funds, the general fund had \$342,035,816.75 in revenues and \$343,118,069.85 in expenditures. The general fund's fund balance decreased by \$1,082,253.10 over 2021.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Township of Edison School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Government-Wide Financial Analysis

The District's financial position is the result of several types of financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2022 and 2021, respectively:

Net Position
June 30, 2022

	Governmental Activities		Business-Type Activities	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets				
Current and Other				
Assets	\$ 82,976,056.78	\$ 63,103,368	\$ 2,882,646.36	\$ 1,906,930
Capital Assets, Net	163,356,539.39	142,499,148	635,634.59	527,091
Total Assets	<u>246,332,596.17</u>	<u>205,602,516</u>	<u>3,518,280.95</u>	<u>2,434,021</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	6,302,443.00	14,221,296	-	-
Total Assets and Deferred Outflows of Resources	<u>6,302,443.00</u>	<u>14,221,296</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities				
Other Liabilities	43,724,800.75	59,296,819	-	-
Total Liabilities	<u>35,815,883.81</u>	<u>15,193,605</u>	<u>8,163.15</u>	<u>542,560</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	22,208,306.00	20,888,622	-	-
Total Liabilities and Deferred Inflows of Resources	<u>22,208,306.00</u>	<u>20,888,622</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	158,900,476.64	135,008,929	635,634.59	527,091
Restricted	34,534,463.72	39,795,587	-	-
Unrestricted	(42,548,891.75)	(50,359,750)	2,874,483.21	1,364,370
Total Net Position	<u>\$ 150,886,048.61</u>	<u>\$ 124,444,766</u>	<u>\$ 3,510,117.80</u>	<u>\$ 1,891,461</u>

The District's largest net position component is the Net Investment in Capital Assets as shown above. Net Investment in Capital Assets represent capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted net position decreased \$5,261,123.28 from the prior year to \$34,327,041.72 at June 30, 2022.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$42,548,891.75) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2022 and 2021. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	<u>June 30, 2022</u>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ 1,350,191.51	\$ 508,667.12	\$ 1,858,858.63
Operating Grants and Contributions	49,533,421.47	9,851,602.70	59,385,024.17
General Revenues:			
Property Taxes	235,038,000.00	-	235,038,000.00
Federal and State Aid	43,287,955.77	-	43,287,955.77
Miscellaneous	3,622,395.69	-	3,622,395.69
Total Revenues	332,831,964.44	10,360,269.82	343,192,234.26
Expenses:			
Instructional Services	190,901,616.26	-	190,901,616.26
Support Services	115,395,476.57	8,741,613.02	124,137,089.59
Interest and Other Charges	93,589.00	-	93,589.00
Total Expenses	306,390,681.83	8,741,613.02	315,132,294.85
Change in Net Position	26,441,282.61	1,618,656.80	28,059,939.41
Net Position, Beginning	124,444,766.00	1,891,461.00	126,336,227.00
Net Position, Ending	\$ 150,886,048.61	\$ 3,510,117.80	\$ 154,396,166.41
<u>June 30, 2021</u>			
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 84,280	\$ 84,280
Operating Grants and Contributions	72,429,613	2,958,650	75,388,263
General Revenues:			
Property Taxes	235,013,168	-	235,013,168
Federal and State Aid	30,381,887	-	30,381,887
Miscellaneous	2,010,671	-	2,010,671
Total Revenues	339,835,339	3,042,930	342,878,269
Expenses:			
Instructional Services	127,317,473	-	127,317,473
Support Services	190,148,965	2,918,645	193,067,610
Interest and Other Charges	14,270	-	14,270
Total Expenses	317,480,708	2,918,645	320,399,353
Change in Net Position	22,354,631	124,285	22,478,916
Net Position, Beginning	102,090,135	1,767,176	103,857,311
Net Position, Ending	\$ 124,444,766	\$ 1,891,461	\$ 126,336,227

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2022 and 2021 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<u>June 30, 2022</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 125,206,372.46	35.03%	\$ 1,792,140.46	1%
Undistributed	205,762,250.80	57.57%	25,316,430.80	14%
Capital Outlay	25,807,474.39	7.22%	14,112,098.39	121%
Debt Service:				
Principal	500,000.00	0.14%	-	0%
Interest	130,867.00	0.04%	83,367.00	176%
Total	\$ 357,406,964.65	100%	\$ 41,304,036.65	13%

	<u>June 30, 2021</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 123,414,232	39.04%	\$ 366,840	3%
Undistributed	180,445,820	57.08%	64,603	3%
Capital Outlay	11,695,376	3.70%	1,682,295	22%
Debt Service:				
Principal	500,000	0.16%	25,000	4%
Interest	47,500	0.02%	1,104,146	849%
Total	\$ 316,102,928	100%	\$ 3,242,884	18%

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2021-2022 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2021-2022 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2021-2022 unassigned fund balance decreased by \$486,486.75 to \$10,751,164.25 (4% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of \$1,618,656.80 in 2021-2022 as compared to a change in net position of \$124,285 in 2020-2021.

Capital Assets

At June 30, 2022 the District has capital assets of \$32,970,480.32, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2022</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 20,570,077.00	\$ -
Buildings/Construction	110,027,621.00	-
Machinery and Equipment	32,758,841.39	635,634.59
Total	<u>\$ 163,356,539.39</u>	<u>\$ 635,634.59</u>
	<u>June 30, 2021</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 20,570,077.00	\$ -
Buildings/Construction	114,208,445.00	-
Machinery and Equipment	7,720,626.00	527,091.00
Total	<u>\$ 142,499,148.00</u>	<u>\$ 527,091.00</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

The District has 1 year remaining on its refunding bond with an unpaid principal balance of \$500,000. The district has a compensated absence liability of \$4,211,801.80

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- Edison continues to experience growth to its ratable base. In 2022, Edison again experienced an increase in its ratable base. This makes 7 straight years that Edison had an increase in its ratable base bringing its total to just over \$7.28 billion. Indications are that this trend will continue for a few more years.
- Edison has one more year on the collective bargaining agreement for the Edison Township Education Association (certified and non-certified), three more years on the Edison Facilities Maintenance and Management Association, and two more years on the Edison Township Transportation Association. The Edison Principals and Supervisors Association collective bargaining agreement expired on June 30, 2022. It was negotiated and settled with a four year term that will expire on June 30, 2025. The Edison Public Schools Custodians and Maintenance Association collective bargaining agreement expired on June 30, 2022. It was negotiated and settled with a five year term that will expire on June 30, 2026.
- The Board and administration remain extremely sensitive to the financial concerns of the taxpayers, particularly those on fixed incomes, and will be diligently searching for alternate sources of revenue and cost reductions. Consistent with this concern, the District utilizes a five-year budget model that assesses the tactical and strategic impact that legislative changes and operational efficiencies place upon the District's future year budgets.
- In general, the Township of Edison School District has consistently committed itself to sound, conservative fiscal management, providing the most efficient and effective education possible given the demands and challenges associated with the need to improve students' academic performances, and there is no reason to believe that this commitment will not continue as the District moves forward.

Requests for Information

The financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions on this report or need additional financial information, please contact School Business Administrator/Board Secretary at the Township of Edison School District, 312 Pierson Avenue, Edison, New Jersey 08837.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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TOWNSHIP OF EDISON SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 40,753,707.87	\$ 2,089,619.54	\$ 42,843,327.41
Receivables, Net (Note 4)	15,703,348.84	685,322.46	16,388,671.30
Inventory	-	107,704.36	107,704.36
Restricted Cash & Cash Equivalents	26,519,000.07	-	26,519,000.07
Capital Assets, Net (Note 5)			
Non-Depreciable	20,570,077.00	-	20,570,077.00
Depreciable	142,786,462.39	635,634.59	143,422,096.98
Total Assets	246,332,596.17	3,518,280.95	249,850,877.12
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	6,302,443.00	-	6,302,443.00
Total Deferred Outflow of Resources	6,302,443.00	-	6,302,443.00
LIABILITIES:			
Accounts Payable	19,374,793.73	935,061.20	20,309,854.93
Due to Other Governments	3,977,961.00	-	3,977,961.00
Unearned Revenue	1,513,056.41	122,300.17	1,635,356.58
Accrued Interest	5,978.00	-	5,978.00
Claims Payable	200,000.00	-	200,000.00
Payroll Deductions and Withholdings	2,559,747.35	-	2,559,747.35
Unemployment Trust Liability	461,644.81	-	461,644.81
Other Liabilities	6,673,504.29	-	6,673,504.29
Internal Balances	1,049,198.22	(1,049,198.22)	-
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,898,682.00	-	1,898,682.00
Due in More Than One Year	41,826,118.75	-	41,826,118.75
Total Liabilities	79,540,684.56	8,163.15	79,548,847.71
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	22,208,306.00	-	22,208,306.00
Total Deferred Inflow of Resources	22,208,306.00	-	22,208,306.00
NET POSITION:			
Net Investment in Capital Assets	158,900,476.64	635,634.59	159,536,111.23
Restricted for:			
Capital Projects	23,811,432.37	-	23,811,432.37
Emergency Reserve	1,000,000.00	-	1,000,000.00
Maintenance Reserve	1,331,592.31	-	1,331,592.31
Unemployment Compensation	606,876.01	-	606,876.01
Scholarships	20,131.42	-	20,131.42
Student Activities	1,351,139.47	-	1,351,139.47
Excess Surplus	6,413,292.14	-	6,413,292.14
Unrestricted (Deficit)	(42,548,891.75)	2,874,483.21	(39,674,408.54)
Total Net Position	\$ 150,886,048.61	\$ 3,510,117.80	\$ 154,396,166.41

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

TOWNSHIP OF EDISON SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 153,868,874.51	\$ 250,641.00	\$ 38,167,064.56	-	\$ (115,451,168.95)	\$ -	\$ (115,451,168.95)
Special Education Instruction	31,484,601.47	-	6,748,296.88	-	(24,736,304.60)	-	(24,736,304.60)
Other Instruction	5,548,140.28	-	1,189,168.54	-	(4,358,971.73)	-	(4,358,971.73)
Support Services:							
Tuition	12,003,132.30	-	-	-	(12,003,132.30)	-	(12,003,132.30)
Student & Instruction Related Services	36,337,637.68	-	3,428,891.49	-	(32,908,746.19)	-	(32,908,746.19)
General Administrative	4,352,409.12	-	-	-	(4,352,409.12)	-	(4,352,409.12)
School Administrative Services	11,415,666.16	-	-	-	(11,415,666.16)	-	(11,415,666.16)
Central Services	6,836,578.47	-	-	-	(6,836,578.47)	-	(6,836,578.47)
Administrative Info. Technology	2,938,516.31	-	-	-	(2,938,516.31)	-	(2,938,516.31)
Plant Operations & Maintenance	18,206,465.54	-	-	-	(18,206,465.54)	-	(18,206,465.54)
Pupil Transportation	21,606,120.77	1,099,550.51	-	-	(20,506,570.26)	-	(20,506,570.26)
Special Schools	556,655.16	-	-	-	(556,655.16)	-	(556,655.16)
Transfer to Charter Schools	1,142,295.04	-	-	-	(1,142,295.04)	-	(1,142,295.04)
Interest & Other Charges	93,589.00	-	-	-	(93,589.00)	-	(93,589.00)
Total Governmental Activities	306,390,681.83	1,350,191.51	49,533,421.47	-	(255,507,068.85)	-	(255,507,068.85)
Business-Type Activities:							
Food Service	8,741,613.02	508,667.12	9,851,602.70	-	-	1,618,656.80	1,618,656.80
Total Business-Type Activities	8,741,613.02	508,667.12	9,851,602.70	-	-	1,618,656.80	1,618,656.80
Total Primary Government	\$ 315,132,294.85	\$ 1,858,858.63	\$ 59,385,024.17	\$ -	\$ (255,507,068.85)	\$ 1,618,656.80	\$ (253,888,412.05)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					234,538,000.00	-	234,538,000.00
Property Taxes, Levied for Debt Service					500,000.00	-	500,000.00
Federal & State Aid Restricted					3,948,106.82	-	3,948,106.82
Federal & State Aid Not Restricted					39,339,848.95	-	39,339,848.95
Miscellaneous					3,622,395.69	-	3,622,395.69
Total General Revenues					281,948,351.46	-	281,948,351.46
Change In Net Position					26,441,282.61	1,618,656.80	28,059,939.41
Net Position - Beginning					124,444,766.00	1,891,461.00	126,336,227.00
Net Position - Ending					\$ 150,886,048.61	\$ 3,510,117.80	\$ 154,396,166.41

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

B. Fund Financial Statements

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Governmental Funds

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
ASSETS					
Cash & Cash Equivalents	\$ 43,265,184.68	\$ -	\$ 680,931.71	\$ -	\$ 43,946,116.39
Cash Held with Fiscal Agent	125,000.00	-	-	-	125,000.00
Receivables, Net:					
Due from Other Governments:					
Federal	-	11,084,833.00	-	-	11,084,833.00
State	4,490,478.53	128,037.31	-	-	4,618,515.84
Restricted Cash & Cash Equivalents	26,519,000.07	-	-	-	26,519,000.07
Total Assets	<u>\$ 74,399,663.28</u>	<u>\$ 11,212,870.31</u>	<u>\$ 680,931.71</u>	<u>\$ -</u>	<u>\$ 86,293,465.30</u>
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 3,317,408.52	\$ -	\$ -	\$ 3,317,408.52
Accounts Payable	15,084,263.47	4,290,530.26	-	-	19,374,793.73
Intergovernmental Payable:					
State	-	126,027.00	-	-	126,027.00
Unemployment Trust Liability	461,644.81	-	-	-	461,644.81
Other Current Liabilities	6,673,504.29	-	-	-	6,673,504.29
Interfund Payable	504,589.90	594,577.23	450,031.09	-	1,549,198.22
Unearned Revenue	-	1,513,056.41	-	-	1,513,056.41
Payroll Deductions and Withholdings	2,559,747.35	-	-	-	2,559,747.35
Total Liabilities	<u>25,283,749.82</u>	<u>9,841,599.42</u>	<u>450,031.09</u>	<u>-</u>	<u>35,575,380.33</u>
Fund Balances:					
Restricted for:					
Capital Reserve	23,580,531.75	-	-	-	23,580,531.75
Maintenance Reserve	1,331,592.31	-	-	-	1,331,592.31
Emergency Reserve	1,000,000.00	-	-	-	1,000,000.00
Excess Surplus	5,751,806.14	-	-	-	5,751,806.14
Excess Surplus Designated for Subsequent Year	661,486.00	-	-	-	661,486.00
Reserve for Unemployment Claims	606,876.01	-	-	-	606,876.01
Capital Projects	-	-	230,900.62	-	230,900.62
Scholarships	-	20,131.42	-	-	20,131.42
Student Activities	-	1,351,139.47	-	-	1,351,139.47
Assigned to:					
Designated for Subsequent Year	5,432,457.00	-	-	-	5,432,457.00
Unassigned	10,751,164.25	-	-	-	10,751,164.25
Total Fund Balances	<u>49,115,913.46</u>	<u>1,371,270.89</u>	<u>230,900.62</u>	<u>-</u>	<u>50,718,084.97</u>
Total Liabilities & Fund Balances	<u>\$ 74,399,663.28</u>	<u>\$ 11,212,870.31</u>	<u>\$ 680,931.71</u>	<u>\$ -</u>	
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$61,410,313 and the accumulated depreciation is \$27,432,740. 163,356,539.39					
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.					
Deferred Outflows Related to Pensions 6,302,443.00					
Deferred Inflows Related to Pensions (22,208,306.00)					
Internal service funds are used by the School District to charge the costs of the School District's Worker's Compensation to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities. 300,000.00					
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds. (5,978.00)					
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. (3,851,934.00)					
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (43,724,800.75)					
Net Position of Governmental Activities <u>\$ 150,886,048.61</u>					

TOWNSHIP OF EDISON SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 234,538,000.00	\$ -	\$ -	\$ 500,000.00	\$ 235,038,000.00
Tuition Charges	250,641.00	-	-	-	250,641.00
Transportation Charges	1,099,550.51	-	-	-	1,099,550.51
Miscellaneous	1,684,812.62	2,223,138.57	-	-	3,907,951.19
Total Local Sources	237,573,004.13	2,223,138.57	-	500,000.00	240,296,142.70
State Sources	104,268,114.67	1,143,252.37	-	28,750.00	105,440,117.04
Federal Sources	194,697.95	11,106,800.75	-	-	11,301,498.70
Total Revenues	342,035,816.75	14,473,191.69	-	528,750.00	357,037,758.44
Expenditures:					
Instruction:					
Regular Instruction	95,730,400.31	5,187,360.31	-	-	100,917,760.62
Special Education Instruction	20,649,760.94	-	-	-	20,649,760.94
Other Instruction	3,638,850.90	-	-	-	3,638,850.90
Support Services:					
Tuition	10,020,163.34	-	-	-	10,020,163.34
Attendance & Social Work Services	269,111.16	-	-	-	269,111.16
Health Services	2,403,169.24	-	-	-	2,403,169.24
Student & Instruction Related Services	23,008,795.95	4,653,427.67	-	-	27,662,223.62
General Administrative	3,633,372.46	-	-	-	3,633,372.46
School Administrative Services	9,529,749.47	-	-	-	9,529,749.47
Central Services	1,437,365.84	-	-	-	1,437,365.84
Administrative Information Technology	2,453,060.81	-	-	-	2,453,060.81
Plant Operations & Maintenance	17,314,182.91	-	-	-	17,314,182.91
Pupil Transportation	18,036,696.91	-	-	-	18,036,696.91
Unallocated Benefits	46,461,915.37	-	-	-	46,461,915.37
On Behalf TPAF Pension and Social Security Contributions	65,122,963.67	-	-	-	65,122,963.67
Special Schools	464,693.00	-	-	-	464,693.00
Transfer to Charter Schools	953,583.00	-	-	-	953,583.00
Capital Outlay	21,888,117.57	3,919,356.82	-	-	25,807,474.39
Debt Service:					
Principal	-	-	-	500,000.00	500,000.00
Interest & Other Charges	102,117.00	-	-	28,750.00	130,867.00
Total Expenditures	343,118,069.85	13,760,144.80	-	528,750.00	357,406,964.65
Excess/(Deficiency) of Revenues Over Expenditures	(1,082,253.10)	713,046.89	-	-	(369,206.21)
Other Financing Sources (Uses):					
Transfers In	-	-	-	72,403.41	72,403.41
Transfers Out	-	-	(72,403.41)	-	(72,403.41)
Total Other Financing Sources (Uses)	-	-	(72,403.41)	72,403.41	-
Net Changes in Fund Balances	(1,082,253.10)	713,046.89	(72,403.41)	72,403.41	(369,206.21)
Fund Balance, July 1	50,198,166.56	658,224.00	303,304.03	(72,403.41)	51,087,291.18
Fund Balance, June 30	\$ 49,115,913.46	\$ 1,371,270.89	\$ 230,900.62	\$ -	\$ 50,718,084.97

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

**TOWNSHIP OF EDISON SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	(369,206.21)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation Expense	\$	(4,950,083.00)
Capital Outlays		<u>25,807,474.39</u>
		20,857,391.39
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		7,939,595.18
Repayment of long-term debt principal and obligation of lease purchase agreements are 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.		
		3,034,157.25
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
Finance Purchases Payable Proceeds		<u>(5,114,761.00)</u>
		(5,114,761.00)
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
Amortization of Premium on Bonds		<u>26,069.00</u>
		26,069.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		11,209.00
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>56,828.00</u>
Change in Net Position of Governmental Activities	\$	<u><u>26,441,282.61</u></u>

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Proprietary Funds

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	FOOD SERVICE	TOTALS	INTERNAL SERVICE FUND
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 2,089,619.54	\$ 2,089,619.54	\$ -
Accounts Receivable:			
Federal	662,034.46	662,034.46	-
State	11,918.97	11,918.97	-
Other Receivables	11,369.03	11,369.03	-
Interfund Receivable	1,049,198.22	1,049,198.22	500,000.00
Inventories	107,704.36	107,704.36	-
Total Current Assets	3,931,844.58	3,931,844.58	500,000.00
Noncurrent Assets:			
Capital Assets	1,546,912.59	1,546,912.59	-
Less: Accumulated Depreciation	(911,278.00)	(911,278.00)	-
Total Capital Assets, Net	635,634.59	635,634.59	-
Total Noncurrent Assets	635,634.59	635,634.59	-
Total Assets	4,567,479.17	4,567,479.17	500,000.00
LIABILITIES			
Current Liabilities:			
Accounts Payable	935,061.20	935,061.20	-
Unearned Revenue	122,300.17	122,300.17	-
Other Current Liabilities	-	-	200,000.00
Total Current Liabilities	1,057,361.37	1,057,361.37	200,000.00
NET POSITION			
Net Investment in Capital Assets	635,634.59	635,634.59	-
Unrestricted	2,874,483.21	2,874,483.21	300,000.00
Total Net Position	\$ 3,510,117.80	\$ 3,510,117.80	\$ 300,000.00

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

TOWNSHIP OF EDISON SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2022

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	FOOD SERVICE	TOTALS	INTERNAL SERVICE FUND
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 249,054.85	\$ 249,054.85	\$ -
Daily Sales - Non-Reimbursable Programs	79,529.40	79,529.40	-
Special Functions	115,224.23	115,224.23	-
Miscellaneous	64,858.64	64,858.64	-
Total Operating Revenues	508,667.12	508,667.12	-
Operating Expenses:			
Cost of Sales - Reimbursable Programs	4,027,741.19	4,027,741.19	-
Cost of Sales - Non-Reimbursable Programs	483,876.72	483,876.72	-
Salaries	2,500,228.93	2,500,228.93	-
Employee Benefits	338,633.98	338,633.98	-
Supplies and Materials	67,310.05	67,310.05	-
Depreciation	79,543.00	79,543.00	-
Purchased Professional Services	1,244,279.15	1,244,279.15	-
Total Operating Expenses	8,741,613.02	8,741,613.02	-
Operating Income/(Loss)	(8,232,945.90)	(8,232,945.90)	-
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	162,251.91	162,251.91	-
Federal Sources:			
National School Lunch Program	7,068,686.76	7,068,686.76	-
National School Breakfast Program	1,870,493.27	1,870,493.27	-
Food Distribution Program	483,877.00	483,877.00	-
Emergency Operational Cost Program	260,095.76	260,095.76	-
P-EBT Administrative Cost	6,198.00	6,198.00	-
Total Nonoperating Revenues/(Expenses)	9,851,602.70	9,851,602.70	-
Change in Net Position	1,618,656.80	1,618,656.80	-
Total Net Position - Beginning	1,891,461.00	1,891,461.00	300,000.00
Total Net Position - Ending	\$ 3,510,117.80	\$ 3,510,117.80	\$ 300,000.00

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

**TOWNSHIP OF EDISON SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	FOOD SERVICE	TOTALS	INTERNAL SERVICE FUND
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 154,821.83	\$ 154,821.83	\$ -
Payments to Employees	(2,500,228.93)	(2,500,228.93)	-
Payments to Suppliers	(4,972,066.27)	(4,972,066.27)	-
Net Cash Provided by/(Used for) Operating Activities	<u>(7,656,107.35)</u>	<u>(7,656,107.35)</u>	<u>-</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	162,251.91	162,251.91	-
Federal Sources	9,205,473.79	9,205,473.79	-
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>9,367,725.70</u>	<u>9,367,725.70</u>	<u>-</u>
Cash Flows From Capital Financing Activities:			
Purchase of Capital Assets	(188,086.81)	(188,086.81)	-
Net Cash Provided by/(Used for) Capital Financing Activities	<u>(188,086.81)</u>	<u>(188,086.81)</u>	<u>-</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	1,523,531.54	1,523,531.54	-
Balances - Beginning of Year	566,088.00	566,088.00	-
Balances - End of Year	<u>\$ 2,089,619.54</u>	<u>\$ 2,089,619.54</u>	<u>\$ -</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating Income/(Loss)	\$ (8,232,945.90)	\$ (8,232,945.90)	\$ -
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	79,543.00	79,543.00	-
Food Distribution Program	483,877.00	483,877.00	-
(Increase)/Decrease in Accounts Receivable, Net	(275,786.46)	(275,786.46)	-
(Increase)/Decrease in Inventories	(23,391.14)	(23,391.14)	-
(Increase)/Decrease in Interfund Receivable	(202,205.22)	(202,205.22)	-
Increase/(Decrease) in Unearned Revenue	(78,058.83)	(78,058.83)	-
Increase/(Decrease) in Accounts Payable	592,860.20	592,860.20	-
Total Adjustments	<u>576,838.55</u>	<u>576,838.55</u>	<u>-</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (7,656,107.35)</u>	<u>\$ (7,656,107.35)</u>	<u>\$ -</u>

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

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Fiduciary Fund
Not Applicable

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TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

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TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Township of Edison School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The School District is a Type II district located in the County of Middlesex, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational, as well as special education. The School District has an approximate enrollment at June 30, 2022 of 16,068 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB Statement No. 61, The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14 and GASB Statement No. 97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84. The School District had no component units as of for the year ended June 30, 2022.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under finance purchases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings 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.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, financed purchases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

Internal Service Fund – The internal service fund is used to account for the District's accrued compensation claims and expenses. The internal service fund is considered a major fund of the district.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and 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. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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 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 School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or 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.

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Tuition Receivable/Payable

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

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

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

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

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 pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

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

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

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and April 17, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

Statement No. 87, Leases. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities. Management determined that they had no leases that qualified.

Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the District's financial statements.

Statement No. 93, Replacement of Interbank Offered Rates. This Statement establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases in addition to identifying appropriate benchmark interest rates for hedging derivative instruments. Requirements of this pronouncement related to paragraph 11b will be effective for reporting periods ending after December 31, 2021, and requirements related to paragraphs 13 and 14 will be effective for fiscal years beginning after June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the District's financial statements.

Statement No. 98, The Annual Comprehensive Report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Management has implemented this in the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 96, Subscription-Based Information Technology Arrangements. This statement establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. This statement is effective for reporting periods beginning after June 15, 2022.

Statement No. 99, Omnibus 2022. The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Statement No. 100, Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, Compensated Absences. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has yet to determine the potential impact of these pronouncements on the District's financial statements.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the School District’s bank balance of \$80,597,989.07 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	68,313,277.70
Uninsured and Uncollateralized		12,284,711.37
Total	\$	80,597,989.07

Investments

The School District had no investments at June 30, 2022.

Note 3. Reserve Accounts

Capital Reserve

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

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

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

Beginning Balance, July 1, 2021	\$	27,597,420.00
Increased by:		
Transfer per resolution		2,247,112.00
		29,844,532.00
Decreased by:		
Budget Withdrawals		(6,264,000.25)
Ending Balance, June 30, 2022	\$	23,580,531.75

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 3. Reserve Accounts (Continued)

Emergency Reserve

The School District established an emergency reserve account for the accumulation of funds for use in accordance with N.J.S.A. 18A: 7F-41c(1) to finance unanticipated general fund expenditures.

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

Ending Balance June 30, 2022 and 2021	\$ 1,000,000.00
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Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account 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. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

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

Ending Balance June 30, 2022 and 2021	\$ 1,331,592.31
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TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 3. Reserve Accounts (Continued)

Unemployment Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2021	\$	605,650.00
Increased by:		
Interest Earnings		1,226.01
Ending Balance, June 30, 2022	\$	606,876.01

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2022, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	General Fund	Special Revenue Fund	
Federal Awards	\$ -	\$ 11,084,833.00	\$ 11,084,833.00
State Awards	4,490,478.53	128,037.31	4,618,515.84
Total	\$ 4,490,478.53	\$ 11,212,870.31	\$ 15,703,348.84
<u>Description</u>	Proprietary Funds		Total Business-Type Activities
	Food Service Fund		
Federal Awards		\$ 662,034.46	\$ 662,034.46
State Awards		11,918.97	11,918.97
Other		11,369.03	11,369.03
Total		\$ 685,322.46	\$ 685,322.46

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2022 was as follows:

	Governmental Activities			Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 20,570,077.00	\$ -	\$ -	\$ 20,570,077.00
Total Capital Assets not being depreciated	20,570,077.00	-	-	20,570,077.00
Capital Assets being depreciated:				
Buildings and Improvements	200,949,052.00	-	-	200,949,052.00
Equipment	20,846,546.00	25,807,474.39	-	46,654,020.39
Total Capital Assets being depreciated	221,795,598.00	25,807,474.39	-	247,603,072.39
Less: Accumulated Depreciation:				
Buildings and Improvements	(86,740,607.00)	(4,180,824.00)	-	(90,921,431.00)
Equipment	(13,125,920.00)	(769,259.00)	-	(13,895,179.00)
Total Accumulated Depreciation	(99,866,527.00)	(4,950,083.00)	-	(104,816,610.00)
Total Capital Assets being depreciated, net	121,929,071.00	20,857,391.39	-	142,786,462.39
Total Governmental Activities Capital Assets, net	\$ 142,499,148.00	\$ 20,857,391.39	\$ -	\$ 163,356,539.39
Business-Type Activities				
	Business-Type Activities			Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	
Business-Type Activities:				
Equipment	\$ 1,353,826.00	\$ 193,086.59	\$ -	\$ 1,546,912.59
Total Capital Assets being depreciated	1,353,826.00	193,086.59	-	1,546,912.59
Less: Accumulated Depreciation:				
Equipment	(831,735.00)	(79,543.00)	-	(911,278.00)
Total Capital Assets being depreciated, net	(831,735.00)	(79,543.00)	-	(911,278.00)
Total Business-Type Activities Capital Assets, net	\$ 522,091.00	\$ 113,543.59	\$ -	\$ 635,634.59

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 5. Capital Assets (Continued)

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

Governmental Activities

Instruction:	
Regular Instruction	\$ 2,303,461.50
Special Education Instruction	466,921.59
Other Instruction	82,279.79
Support Services:	
Tuition	226,570.69
Student & Instruction Related Services	685,907.92
General Administrative	82,155.92
School Administrative Services	215,481.71
Central Services	32,500.96
Administrative Info. Technology	55,467.33
Plant Operations & Maintenance	391,499.24
Pupil Transportation	407,836.35
	4,950,083.00
Total Depreciation Expense - Governmental Activities	\$ 4,950,083.00

Note 6. Interfund Receivables, Payables and Transfers

There was interfund receivables and payables for the year ended June 30, 2022. A summary of interfund transfers are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 504,589.90
Special Revenue Fund	-	594,577.23
Capital Projects Fund	-	450,031.09
Food Service Fund	1,049,198.22	-
Internal Service Fund	500,000.00	-
	\$ 1,549,198.22	\$ 1,549,198.22
	\$ 1,549,198.22	\$ 1,549,198.22

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

There was interfund transfers for the year ended June 30, 2022. A summary of interfund transfers are as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 72,403.41	\$ -
Debt Service Fund	-	72,403.41
	\$ 72,403.41	\$ 72,403.41
	\$ 72,403.41	\$ 72,403.41

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 1,000,000.00	\$ -	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00
Finance Purchases Payable	6,490,220.00	-	2,534,157.25	3,956,062.75	1,398,682.00
Unamortized Bond Premiums	26,069.00	-	26,069.00	-	-
Compensated Absences	4,322,271.00	86,498.00	143,326.00	4,265,443.00	-
Net Pension Liability	47,458,258.00	18,859,879.00	31,314,842.00	35,003,295.00	-
	<u>\$ 59,296,818.00</u>	<u>\$ 18,946,377.00</u>	<u>\$ 34,518,394.25</u>	<u>\$ 43,724,800.75</u>	<u>\$ 1,898,682.00</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, financed purchases, unamortized bond premiums and the net pension liability are liquidated by the general fund.

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On November 17, 2010, the School District issued \$4,995,000 of General Refunding Bonds. The Bonds were issued at varying rates of interest of 3.00% to 4.00% and mature on July 15, 2023.

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 500,000	\$ -	\$ 500,000
	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 500,000</u>

Bonds Authorized but not Issued

As of June 30, 2022, the School District had no bonds authorized but not issued.

Lease Obligations

The District is leasing Apple Computers under a finance purchase agreement. The following is a schedule of the remaining future minimum lease payments under these obligations and the present value of the net minimum lease payments at June 30, 2022:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ 1,278,690.25
2024	1,278,690.25
2025	1,278,690.25
Present Value of Net Minimum Lease Payments	<u>\$ 3,836,070.75</u>

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey (the State), 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 PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible 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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit 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 employers. 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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.

Pension Liability, Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At June 30, 2022, the School District reported a liability of \$35,003,295 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.29102311%, which was an increase of 0.0028373% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension credit of (\$4,470,477) in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 552,047	\$ 250,582
Changes of Assumptions	182,297	12,461,400
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	9,220,788
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	1,716,165	275,536
School District contributions subsequent to measurement date	3,851,934	-
	\$ 6,302,443	\$ 22,208,306

\$3,851,934 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2021-2022 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.98%. The payable is due on April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Year Ending June 30,		
2023	\$	(7,536,359)
2024		(5,135,998)
2025		(3,596,733)
2026		(3,037,240)
2027		(451,467)
	<u>\$</u>	<u>(19,757,797)</u>

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
Changes in Proportion and Differences between District Contributions		
Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

**TOWNSHIP OF EDISON SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The collective 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 assumptions:

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00% Based on Age
Thereafter	3.00% - 7.00% Based on Age
Investment Rate of Return	7.00%
Mortality Rate of Return:	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-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. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

<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 Markets 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 Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

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 on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 47,449,869	\$ 35,003,295	\$ 24,145,328

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	\$ 8,339,123,762	\$ 7,849,949,467
Collective Net Pension Liability	\$ 11,972,782,878	\$ 16,435,616,426
School District's portion	0.29547%	0.29102%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 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 employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, 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, the School District is 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 School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$522,233,951. The School District's proportionate share was \$0.

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 State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 1.0862858081%, which was an increase of 0.0150395854% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized a pension expense in the amount of \$12,288,394 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2021 measurement date.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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%

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 on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the 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 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

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

<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 Markets 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 Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

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 will be made based on 100% of actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the School District's 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:

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 617,889,996	\$ 522,233,951	\$ 441,888,884

Pension Plan Fiduciary Net Position - 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

Collective Deferred Outflows of Resources	\$ 6,373,530,834.00	\$ 9,626,548,228.00
Collective Deferred Inflows of Resources	\$ 27,363,906.00	\$ 14,591,988,841.00
Collective Net Pension Liability	\$ 48,165,991,182.00	\$ 65,993,498,688.00

School District's portion	1.08629%	1.07125%
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C. Defined Contribution Retirement Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2022, the Board and employee contributions to the DCRP for the year were \$16,143.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for 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 Benefit 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 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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 are the responsibility of the individual local education employers.

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

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. 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%			
		<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:				
Through 2026		1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25%
		based service years	based service years	based service years
Thereafter		2.75 - 5.65%	3.00 - 7.00%	Not
		based service years	based service years	Applicable

Preretirement 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 the Scale MP-2021. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021 for current disables retirees. Future disabled retirees were based on 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 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, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was \$26,533,209. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.92947507%, which was a decrease of 0.02374087% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$34,954,154 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 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 decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend is 5.00%.

Discount Rate

The discount rate for June 30, 2021 was 2.16%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 668,104,311.89	\$ 557,756,153	\$ 470,863,602
State of New Jersey's Total Nonemployer OPEB Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was 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
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 451,504,953	\$ 557,756,153	\$ 700,443,038
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,338,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 9,045,886,863	\$ (18,009,362,976)
Change in Assumptions	10,179,536,966	(6,438,261,807)
Contributions Made in Fiscal Year Ending 6/30/2022 After Measurement Date	TBD	N/A
	\$ 19,225,423,829	\$ (24,447,624,783)

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information (continued):

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

Fiscal Year Ending June 30,		
2022	\$	(1,182,303,041)
2023		(1,182,303,041)
2024		(1,182,303,041)
2025		(1,182,303,041)
2026		(840,601,200)
Thereafter		347,612,410
	\$	(5,222,200,954)

** Employer Contributions made after June 30, 2021 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

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

Active Plan Members	213,901
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	150,427
	364,328

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Total OPEB Liability		
Service Cost	\$	3,217,184,264
Interest Cost		1,556,661,679
Changes of Benefit Terms		(63,870,842)
Difference Between Expected & Actual Experience		(11,385,071,658)
Changes of Assumptions		59,202,105
Contributions: Member		39,796,196
Gross Benefit Payments		(1,226,213,382)
Net Change in Total OPEB Liability		(7,802,311,638)
Total OPEB Liability (Beginning)		67,809,962,608
Total OPEB Liability (Ending)	\$	60,007,650,970
Total Covered Employee Payroll		14,425,669,769
Net OPEB Liability as a Percentage of Payroll		415.98%

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District received on-behalf payments from the State of New Jersey for normal costs and prost retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contrivutions. The on-behalf payments are recorded as revenues and expenditures in the government wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$45,426,155, \$9,070,896, \$10,613,385, and \$12,528.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending unemployment claims fund balance and/or unemployment trust liability of the School District for the current year and previous two years.

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	Ending Balance	<u>Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
			Restricted		
2022	\$ 462,870.82	\$ -	Unemployment	\$ 606,876.01	\$ 461,644.81
2021	-	-	Fund Balance	605,650	-
2020	-	-		605,650	-

*Starting on July 1, 2020 Unemployment is accounted for in the General fund

As of June 30, 2022 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated unemployment claims.

Property and Liability Insurance – The School District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Joint Insurance Pool – The School District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property - Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers' Compensation
School Board Legal Liability	Comprehensive Crime Coverage
Employers Liability	Excess Liability

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts' attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 12. Contingencies (Continued)

Economic Dependency – The School District 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, could have an effect on the School District’s programs and activities.

Note 13. Deferred Compensation

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

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported was \$4,265,443.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 was \$5,751,806.14.

Note 17. Fund Balances

General Fund – Of the \$48,908,491.46 General Fund fund balance at June 30, 2022, \$23,580,531.75 has been restricted for the Capital Reserve Account; \$1,331,592.31 has been restricted for the Maintenance Reserve Account; \$1,000,000 has been restricted for the Emergency Reserve Account, \$5,751,806.14 has been restricted for excess surplus; \$606,876.01 has been restricted for Unemployment Claims; \$661,486 has been restricted for excess surplus designated for subsequent year expenditures, \$5,432,457 has been assigned for designated for subsequent year expenditures; and \$10,751,164.25 has been unassigned.

Special Revenue Fund – Of the \$1,371,270.89 Special Revenue Fund fund balance at June 30, 2022, \$20,131.42 is restricted for scholarships and \$1,351,139.47 is restricted for student activities.

Capital Projects Fund – Of the \$230,900.62 Capital Projects Fund fund balance at June 30, 2022, \$230,900.62 is restricted for future capital projects approved by the School District.

Debt Service Fund – Of the \$0.00 Debt Service Fund fund balance at June 30, 2022, \$0.00 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$42,548,891.75 at June 30, 2022. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 234,538,072.00	\$ -	\$ 234,538,072.00	\$ (72.00)
Tuition	250,000.00	-	250,000.00	641.00
Transportation Fees From Individuals	811,090.00	388,910.00	1,200,000.00	(100,449.49)
Earnings on Investments	-	7,000.00	7,000.00	(6,745.00)
Interest	913,093.00	111,907.00	1,025,000.00	(688,138.38)
Contributions and Donations from Private Sources	-	-	-	13,565.00
Refund of Prior Years Expenditures	-	-	-	1,334,131.00
Interest Earned on Capital Reserve Funds	5,000.00	(5,000.00)	-	-
Total Local Sources	236,517,255.00	502,817.00	237,020,072.00	552,932.13
State Sources:				
Categorical Transportation Aid	4,964,654.00	-	4,964,654.00	-
Extraordinary Aid	500,000.00	455,551.00	955,551.00	3,872,949.00
Categorical Special Education Aid	8,719,977.00	-	8,719,977.00	2,917,398.00
Equalization Aid	21,076,504.00	-	21,076,504.00	-
Categorical Security Aid	1,078,233.00	-	1,078,233.00	-
Homeless Children Aid	-	700,000.00	700,000.00	(345,162.00)
Other State Aids	-	-	-	228,230.00
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	45,426,155.00
TPAF Social Security (reimbursed)	-	-	-	9,070,895.67
TPAF Post Retirements	-	-	-	10,613,385.00
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	12,528.00
Total State Sources	36,339,368.00	1,155,551.00	37,494,919.00	67,923,429.67
Federal Sources:				
Medicaid Reimbursement	287,679.00	-	287,679.00	(92,981.05)
Total Federal Sources	287,679.00	-	287,679.00	(92,981.05)
Total Revenues	273,144,302.00	1,658,368.00	274,802,670.00	68,383,380.75

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Current Expense:						
Regular Programs - Instruction:						
Preschool - Salaries of Teachers	11-105-100-101	231,333.00	(36,000.00)	195,333.00	186,623.82	8,709.18
Kindergarten - Salaries of Teachers	11-110-100-101	3,077,765.00	(837,057.00)	2,240,708.00	2,164,269.82	76,438.18
Grades 1-5 - Salaries of Teachers	11-120-100-101	37,348,458.00	(757,283.76)	36,591,174.24	36,098,391.05	492,783.19
Grades 6-8 - Salaries of Teachers	11-130-100-101	23,115,133.00	(964,000.00)	22,151,133.00	21,553,223.13	597,909.87
Grades 9-12 - Salaries of Teachers	11-140-100-101	26,032,710.00	(259,000.00)	25,773,710.00	25,719,660.21	54,049.79
Regular Programs - Undistributed Instruction:						
Salaries of Teachers	11-190-100-101	200,143.00	2,712,000.00	2,912,143.00	2,737,980.87	174,162.13
Purchased Professional - Educational Services	11-190-100-320	15,000.00	-	15,000.00	11,772.50	3,227.50
Other Purchased Services	11-190-100-500	-	3,000.00	3,000.00	2,317.12	682.88
General Supplies	11-190-100-610	2,864,628.00	2,990,750.77	5,855,378.77	5,781,782.04	73,596.73
Textbooks	11-190-100-640	2,001,000.00	(539,300.00)	1,461,700.00	1,391,553.75	70,146.25
Other Objects	11-190-100-800	160,000.00	(77,000.00)	83,000.00	82,826.00	174.00
Total Regular Programs - Instruction		95,046,170.00	2,236,110.01	97,282,280.01	95,730,400.31	1,551,879.70
Special Education - Instruction:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	870,372.00	(180,000.00)	690,372.00	650,585.55	39,786.45
Other Salaries for Instruction	11-204-100-106	518,290.00	(60,000.00)	458,290.00	429,706.00	28,584.00
General Supplies	11-204-100-610	18,000.00	-	18,000.00	8,065.13	9,934.87
Total Learning and/or Language Disabilities		1,406,662.00	(240,000.00)	1,166,662.00	1,088,356.68	78,305.32
Special Education - Instruction:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	546,551.00	(6,500.00)	540,051.00	540,002.01	48.99
Other Salaries for Instruction	11-212-100-106	299,902.00	(40,000.00)	259,902.00	238,084.00	21,818.00
General Supplies	11-212-100-610	6,000.00	-	6,000.00	5,582.44	417.56
Total Multiple Disabilities		852,453.00	(46,500.00)	805,953.00	783,668.45	22,284.55
Special Education - Instruction:						
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	14,028,977.00	(1,063,500.00)	12,965,477.00	12,462,314.40	503,162.60
Other Salaries	11-213-100-106	155,178.00	-	155,178.00	101,017.50	54,160.50
General Supplies	11-213-100-610	20,000.00	-	20,000.00	6,078.35	13,921.65
Total Resource Room/Resource Center		14,204,155.00	(1,063,500.00)	13,140,655.00	12,569,410.25	571,244.75

**TOWNSHIP OF EDISON SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction:					
Autism:					
Salaries of Teachers	11-214-100-101	2,749,646.00	(192,000.00)	2,557,646.00	689.59
Other Salaries for Instruction	11-214-100-106	1,230,321.00	-	1,230,321.00	48,192.02
General Supplies	11-214-100-610	9,000.00	-	9,000.00	552.66
Total Autism		3,988,967.00	(192,000.00)	3,796,967.00	49,434.27
Special Education - Instruction:					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	11-215-100-101	619,187.00	(175,650.00)	443,537.00	22.60
Other Salaries for Instruction	11-215-100-106	293,274.00	(4,350.00)	288,924.00	81,064.50
General Supplies	11-215-100-600	5,000.00	-	5,000.00	4,756.74
Total Preschool Disabilities - Part-Time		917,461.00	(180,000.00)	737,461.00	85,843.84
Special Education - Instruction:					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	11-216-100-101	1,139,348.00	-	1,139,348.00	17,589.08
Other Salaries for Instruction	11-216-100-106	542,561.00	(106,000.00)	436,561.00	26,299.50
General Supplies	11-216-100-600	5,000.00	-	5,000.00	80.75
Total Preschool Disabilities - Full-Time		1,686,909.00	(106,000.00)	1,580,909.00	43,969.33
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	87,635.00	180,000.00	267,635.00	98,034.50
Purchased Professional - Educational Services	11-219-100-320	125,000.00	-	125,000.00	22,364.50
Total Home Instruction		212,635.00	180,000.00	392,635.00	120,399.00
Total Special Education - Instruction		23,269,242.00	(1,648,000.00)	21,621,242.00	971,481.06
Bilingual Education - Instruction:					
Salaries of Teachers	11-240-100-101	1,539,526.00	(170,000.00)	1,369,526.00	35,833.71
Other Salaries for Instruction	11-240-100-106	82,083.00	-	82,083.00	46,633.00
General Supplies	11-240-100-610	25,000.00	-	25,000.00	24,195.08
Total Bilingual Education - Instruction		1,646,609.00	(170,000.00)	1,476,609.00	106,661.79

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
School-Sponsored Coextrricular/Extra				
Curricular Activities - Instruction:				
Salaries	582,750.00	5,861.93	588,611.93	211.49
Supplies and Materials	90,000.00	8,138.07	98,138.07	9,084.09
Total School-Sponsored Coextrricular/Extra	672,750.00	14,000.00	686,750.00	9,295.58
Curricular Activities - Instruction				
School-Sponsored Athletics - Instruction:				
Salaries	1,230,319.00	(28,312.00)	1,202,007.00	3,142.11
Purchased Services	142,578.00	(7,078.00)	135,500.00	29,190.61
Supplies and Materials	350,000.00	(4,803.00)	345,197.00	58,922.01
Total School-Sponsored Athletics - Instruction	1,722,897.00	(40,193.00)	1,682,704.00	91,254.73
Undistributed Expenditures - Instruction (Tuition):				
Tuition to Other LEAs Within State - Regular	80,000.00	-	80,000.00	45,175.00
Tuition to Private School Disabled - Within State	13,040,909.00	(1,265,137.00)	11,775,772.00	1,790,433.66
Tuition - State Facilities	230,204.00	(42,816.40)	187,387.60	187,387.60
Tuition - Other	55,000.00	85,751.30	140,751.30	140,751.30
Total Undistributed Expenditures - Instruction (Tuition)	13,406,113.00	(1,222,202.10)	12,183,910.90	2,163,747.56
Undistributed Expenditures Attendance and Social Work:				
Salaries	278,684.00	3,000.00	281,684.00	12,572.84
Travel - All Other	12,000.00	(3,000.00)	9,000.00	9,000.00
Total Undistributed Expenditures Attendance and Social Work	290,684.00	-	290,684.00	21,572.84
Undistributed Expenditures - Health Services:				
Salaries	2,808,172.00	(442,000.00)	2,366,172.00	31,163.33
Purchased Professional & Technical Services	42,000.00	2,000.00	44,000.00	9,574.00
Supplies and Materials	40,000.00	-	40,000.00	6,265.43
Total Undistributed Expenditures - Health Services	2,890,172.00	(440,000.00)	2,450,172.00	47,002.76

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	2,689,621.00	(120,000.00)	2,569,621.00	72,408.95
Purchased Professional - Educational Services	11-000-216-320	3,657,000.00	54,583.00	3,711,583.00	662,314.74
Supplies and Materials	11-000-216-600	30,000.00	-	30,000.00	20,443.88
Total Undistributed Expenditures -		6,376,621.00	(65,417.00)	6,311,204.00	755,167.57
Speech, OT, PT and Related Services					
Undistributed Expenditures -					
Other Support Services - Extra Services:					
Salaries	11-000-217-100	1,465,287.00	244,310.00	1,709,597.00	344.10
Total Undistributed Expenditures -		1,465,287.00	244,310.00	1,709,597.00	344.10
Other Support Services - Extra Services					
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	4,827,254.00	(217,300.00)	4,609,954.00	252,083.03
Salaries of Secretaries & Clerical Assistants	11-000-218-105	554,033.00	(70,700.00)	483,333.00	16,129.24
Purchased Professional - Educational Services	11-000-218-320	1,070,000.00	(132,000.00)	938,000.00	45,306.05
Travel - All Other	11-000-218-580	15,000.00	-	15,000.00	7,833.00
Supplies and Materials	11-000-218-600	25,000.00	-	25,000.00	10,254.61
Total Undistributed Expenditures - Guidance		6,491,287.00	(420,000.00)	6,071,287.00	331,605.93
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	4,439,622.00	142,700.00	4,582,322.00	6,535.16
Salaries of Secretaries & Clerical Assistants	11-000-219-105	436,751.00	-	436,751.00	3,915.30
Other Purchased Services	11-000-219-500	6,500.00	-	6,500.00	2,241.26
Residential Costs	11-000-219-591	270,000.00	(159,700.00)	110,300.00	74.98
Supplies and Materials	11-000-219-600	20,000.00	-	20,000.00	9,447.64
Total Undistributed Expenditures - Child Study Teams		5,172,873.00	(17,000.00)	5,155,873.00	22,214.34

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	3,386,418.00	(145,000.00)	3,241,418.00	34,382.54
Salaries of Other Professional Staff	11-000-221-104	90,000.00	-	90,000.00	14,520.00
Salaries of Sec. and Clerical Assist.	11-000-221-105	203,218.00	-	203,218.00	9,955.02
Travel	11-000-221-580	5,500.00	-	5,500.00	469.00
Supplies and Materials	11-000-221-600	12,000.00	-	12,000.00	11,741.73
Total Undistributed Expenditures - Improvement of Instruction Services		3,697,136.00	(145,000.00)	3,552,136.00	71,068.29
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	779,955.00	13,000.00	792,955.00	24,667.50
Supplies and Materials	11-000-222-600	126,700.00	2,400.00	129,100.00	42,620.31
Total Undistributed Expenditures - Educational Media Services/Library		906,655.00	15,400.00	922,055.00	67,287.81
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	11-000-223-102	298,271.00	-	298,271.00	27,149.05
Salaries of Other Professional Staff	11-000-223-104	80,000.00	-	80,000.00	9,525.00
Salaries of Secretarial and Clerical Asst.	11-000-223-105	47,942.00	-	47,942.00	442.00
Supplies and Materials	11-000-223-600	5,000.00	-	5,000.00	585.44
Other Objects	11-000-223-800	164,000.00	-	164,000.00	23,179.52
Total Undistributed Expenditures - Instructional Staff Training Services		595,213.00	-	595,213.00	60,881.01

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	JUNE 30, 2022		VARIANCE FINAL TO ACTUAL
			FINAL BUDGET	ACTUAL	
Undistributed Expenditures -					
Support Services - General Administration:					
Salaries	499,084.00	25,000.00	524,084.00	474,741.64	49,342.36
Salaries - Governance Staff	842,852.00	-	842,852.00	827,187.10	15,664.90
Legal Services	410,000.00	-	410,000.00	338,485.52	71,514.48
Audit Fees	55,000.00	45,000.00	100,000.00	87,500.00	12,500.00
Other Purchased Professional Services	106,500.00	12,000.00	118,500.00	111,286.82	7,213.18
Communications/Telephone	703,500.00	(10,121.66)	693,378.34	601,972.98	91,405.36
Miscellaneous Purchased Services	1,114,100.00	(38,933.00)	1,075,167.00	1,046,393.00	28,774.00
Travel	18,900.00	-	18,900.00	6,757.00	12,143.00
General Supplies	90,000.00	(17,500.00)	72,500.00	54,132.80	18,367.20
BOE In-House Training/Meeting Supplies	5,000.00	-	5,000.00	3,559.04	1,440.96
Miscellaneous Expenditures	55,000.00	4,554.66	59,554.66	54,693.56	4,861.10
BOE Membership Dues and Fees	26,663.00	-	26,663.00	26,663.00	-
Total Undistributed Expenditures -	3,926,599.00	20,000.00	3,946,599.00	3,633,372.46	313,226.54
Support Services - General Administration					
Undistributed Expenditures -					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	7,172,034.00	(311,000.00)	6,861,034.00	6,798,209.20	62,824.80
Salaries of Secretaries & Clerical Assistants	2,494,744.00	121,500.00	2,616,244.00	2,584,933.00	31,311.00
Other Salaries	5,000.00	18,000.00	23,000.00	23,000.00	-
Other Employee Benefits	22,070.00	27,930.00	50,000.00	4,725.00	45,275.00
Other Purchased Services	38,790.00	-	38,790.00	38,788.20	1.80
Travel	7,450.00	-	7,450.00	497.00	6,953.00
Supplies and Materials	105,000.00	3,454.00	108,454.00	79,597.07	28,856.93
Total Undistributed Expenditures -	9,845,088.00	(140,116.00)	9,704,972.00	9,529,749.47	175,222.53
Support Services - School Administration					
Undistributed Expenditures - Central Services:					
Salaries	1,568,971.00	(117,500.00)	1,451,471.00	1,328,749.29	122,721.71
Purchased Professional Services	61,500.00	3,000.00	64,500.00	39,615.90	24,884.10
Travel	3,000.00	-	3,000.00	275.00	2,725.00
Miscellaneous Purchased Services	13,000.00	40,000.00	53,000.00	43,296.90	9,703.10
Supplies and Materials	35,000.00	(1,000.00)	34,000.00	21,329.34	12,670.66
Miscellaneous Expenditures	5,000.00	-	5,000.00	4,099.41	900.59
Total Undistributed Expenditures - Central Services	1,686,471.00	(75,500.00)	1,610,971.00	1,437,365.84	173,605.16

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Administrative Information Technology:					
Salaries	11-000-252-100	1,236,655.00	(90,000.00)	1,146,655.00	94,299.33
Purchased Professional Services	11-000-252-330	225,000.00	435,000.00	660,000.00	11,148.34
Purchased Technical Services	11-000-252-340	300,000.00	10,700.00	310,700.00	37.97
Other Purchased Services	11-000-252-500	275,000.00	35,000.00	310,000.00	3,149.61
Travel	11-000-252-580	5,000.00	(700.00)	4,300.00	1,603.00
Supplies and Materials	11-000-252-600	270,000.00	(135,000.00)	135,000.00	3,355.94
Total Undistributed Expenditures - Administrative Information Technology		2,311,655.00	255,000.00	2,566,655.00	113,594.19
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	11-000-261-100	1,517,300.00	-	1,517,300.00	341,783.66
Cleaning, Repair & Maintenance Services	11-000-261-420	2,255,142.00	(597,805.00)	1,657,337.00	686,465.77
General Supplies	11-000-261-610	716,300.00	30,000.00	746,300.00	234,327.04
Other Objects	11-000-261-800	75,000.00	-	75,000.00	3,593.00
Total Undistributed Expenditures - Required Maintenance for School Facilities		4,563,742.00	(567,805.00)	3,995,937.00	1,266,169.47
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	6,797,048.00	11,000.00	6,808,048.00	163,006.54
Salaries of Non-Instructional Aides	11-000-262-107	1,095,500.00	(85,000.00)	1,010,500.00	27,467.40
Cleaning, Repair & Maintenance Services	11-000-262-420	383,000.00	(56,505.00)	326,495.00	92,225.85
Other Purchased Property Services	11-000-262-490	400,000.00	(15,000.00)	385,000.00	102,091.28
Insurance	11-000-262-520	355,000.00	-	355,000.00	-
General Supplies	11-000-262-610	455,900.00	20,005.00	475,905.00	13,422.37
Energy (Natural Gas)	11-000-262-621	1,300,000.00	(166,000.00)	1,134,000.00	328,370.97
Energy (Electricity)	11-000-262-622	1,550,000.00	125,000.00	1,675,000.00	197,205.07
Other Objects	11-000-262-800	6,000.00	-	6,000.00	5,527.29
Total Undistributed Expenditures - Custodial Services		12,342,448.00	(166,500.00)	12,175,948.00	929,316.77
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	11-000-263-100	1,232,376.00	(13,500.00)	1,218,876.00	171,572.10
Cleaning, Repair & Maintenance Services	11-000-263-420	45,000.00	-	45,000.00	23,857.82
General Supplies	11-000-263-610	154,800.00	-	154,800.00	18,916.42
Total Undistributed Expenditures - Care and Upkeep of Grounds		1,432,176.00	(13,500.00)	1,418,676.00	214,346.34

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Security:					
Salaries	11-000-266-100	2,076,041.00	70,000.00	2,146,041.00	58,543.63
Purchased Professional and Technical Services	11-000-266-300	200,000.00	(60,000.00)	140,000.00	131,733.61
General Supplies	11-000-266-610	88,486.00	(10,000.00)	78,486.00	40,795.27
Total Security		2,364,527.00	-	2,364,527.00	231,072.51
Undistributed Expenditures -					
Student Transportation Services:					
Salaries of Non-Instructional Aides	11-000-270-107	157,500.00	32,300.00	189,800.00	1,569.24
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,480,435.00	102,700.00	1,583,135.00	30,426.14
Cleaning, Repair and Maintenance Services	11-000-270-420	125,000.00	(1,500.00)	123,500.00	15,606.67
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	714,000.00	-	714,000.00	139,174.35
Contract Serv. - Aid in Lieu Pymts-Charter Sch	11-000-270-504	36,000.00	-	36,000.00	15,001.69
Contract Services (Between Home & School) - Vendors	11-000-270-511	3,900,000.00	3,165,845.48	7,065,845.48	335,627.55
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	627,500.00	(219,500.00)	408,000.00	193,294.80
Contract Services (Special Education) - Vendors	11-000-270-514	5,434,406.00	(300,000.00)	5,134,406.00	197,468.70
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	11-000-270-515	10,000.00	-	10,000.00	8,083.88
Contract Services (Special Education) - ESCs & CTSA	11-000-270-518	3,650,000.00	(102,000.00)	3,548,000.00	141,507.28
Miscellaneous Purchased Services - Transportation	11-000-270-593	190,000.00	(122,722.71)	67,277.29	-
General Supplies	11-000-270-610	178,000.00	99,500.00	277,500.00	43,006.56
Total Undistributed Expenditures -		16,502,841.00	2,654,622.77	19,157,463.77	1,120,766.86
Student Transportation Services					
Unallocated Benefits:					
Social Security Contributions	11-000-291-220	2,500,000.00	152,000.00	2,652,000.00	144.54
Other Retirement Contributions - PERS	11-000-291-241	3,500,000.00	(23,000.00)	3,477,000.00	510.48
Workmen's Compensation	11-000-291-260	1,000,000.00	63,000.00	1,063,000.00	144.71
Health Benefits	11-000-291-270	29,750,000.00	2,723,822.71	32,473,822.71	(6,531,533.23)
Tuition Reimbursement	11-000-291-280	150,000.00	115,400.00	265,400.00	40.84
Total Unallocated Benefits		36,900,000.00	3,031,222.71	39,931,222.71	(6,530,692.66)

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	(45,426,155.00)
TPAF Social Security (reimbursed)	-	-	-	(9,070,895.67)
TPAF Post Retirements	-	-	-	(10,613,385.00)
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	(12,528.00)
Total Undistributed Expenditures	133,167,588.00	2,947,515.38	136,115,103.38	(63,575,443.75)
Total Expenditures - Current Expense	255,525,256.00	3,339,432.39	258,864,688.39	(60,844,870.89)
Capital Outlay:				
Increase in Capital Reserve	2,034,690.00	-	2,034,690.00	2,034,690.00
Interest Deposit to Capital Reserve	5,000.00	-	5,000.00	5,000.00
Undistributed Expenditures:				
Undistributed Expenditures - Instruction	1,395,120.00	(737,109.87)	658,010.13	11,713.83
Undistributed Expenditures - Admin Info Tech.	-	260,000.00	260,000.00	5,038.74
Undist. Expend. - Required Maint for School Fac.	100,000.00	-	100,000.00	6,016.76
School Buses - Special	-	3,731,324.42	3,731,324.42	-
Total Equipment	1,495,120.00	3,254,214.55	4,749,334.55	22,769.33
Facilities Acquisition & Construction Services:				
Architectural/Engineering Services	600,000.00	(2,200.00)	597,800.00	198,748.11
Supplies and Materials	350,000.00	(293,715.64)	56,284.36	-
Land and Improvements	400,000.00	13,720.64	413,720.64	12,382.64
Lease Purchase Agreements - Principal	1,145,120.00	-	1,145,120.00	-
Bldgs. Other than Lease Purchase Agreements	17,909,626.00	(228,121.13)	17,681,504.87	2,521,746.77
Assessment for Debt Service on SDA Funding	102,117.00	91,905.30	194,022.30	91,905.30
Total Facilities Acquisition & Construction Services	20,506,863.00	(418,410.83)	20,088,452.17	2,824,782.82
Total Capital Outlay	24,041,673.00	2,835,803.72	26,877,476.72	4,887,242.15
Special Schools:				
Summer School				
Salaries of Teachers	160,000.00	60,250.00	220,250.00	-
Other Salaries	28,000.00	(26,537.00)	1,463.00	-
Total Summer School	188,000.00	33,713.00	221,713.00	-

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Adult Education - Local					
Salaries of Teachers	13-602-100-101	180,000.00	38,743.00	218,743.00	-
General Supplies	13-602-100-610	15,000.00	(161.00)	14,839.00	9,179.00
Other Salaries	13-602-200-105	5,500.00	8,999.00	14,499.00	-
Other Objects	13-602-200-800	2,500.00	(1,941.00)	559.00	-
Total Adult Education - Local		203,000.00	45,640.00	248,640.00	5,660.00
Total Special Schools		391,000.00	79,353.00	470,353.00	5,660.00
Total Expenditures		279,957,929.00	6,254,589.11	286,212,518.11	342,164,486.85
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)		(6,813,627.00)	(4,596,221.11)	(11,409,848.11)	1,021,563.90
Other Financing Sources/(Uses):					
Transfers In(Out):		(949,089.00)	(9,411.00)	(958,500.00)	(953,583.00)
Transfer of Funds to Charter Schools					
Total Other Financing Sources/(Uses)		(949,089.00)	(9,411.00)	(958,500.00)	(953,583.00)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)		(7,762,716.00)	(4,605,632.11)	(12,368,348.11)	67,980.90
Fund Balances, July 1		52,562,200.56	-	52,562,200.56	52,562,200.56
Fund Balances, June 30		\$ 44,799,484.56	\$ (4,605,632.11)	\$ 40,193,852.45	\$ 52,630,181.46
					\$ 12,436,329.01

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
RECAPULATION OF EXCESS/(DEFICIENCY) REV. OVER/(UNDER) EXP. AFTER OTHER FIN. SOURCES/(USES)				
Budgeted Fund Balance	\$ (7,762,716.00)	\$ -	\$ (7,762,716.00)	\$ 4,673,613.01
Increase in Budgeted Revenue	-	1,658,368.00	1,658,368.00	1,658,368.00
Withdrawal from Capital Reserve - Purchase Our Savior's Church	-	(2,383,285.00)	(2,383,285.00)	(2,383,285.00)
Withdrawal from Capital Reserve - Unknown	-	(383,545.11)	(383,545.11)	(383,545.11)
Withdrawal from Capital Reserve - 30 School Buses	-	(3,497,170.00)	(3,497,170.00)	(3,497,170.00)
	<u>\$ (7,762,716.00)</u>	<u>\$ (4,605,632.11)</u>	<u>\$ (12,368,348.11)</u>	<u>\$ 67,980.90</u>
				<u>\$ 12,436,329.01</u>

RECAPULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 23,580,531.75
Maintenance Reserve	1,331,592.31
Emergency Reserve	1,000,000.00
Excess Surplus	5,751,806.14
Excess Surplus Designated for Subsequent Year's Expenditures Reserve for Unemployment Claims	661,486.00
Assigned Fund Balance:	606,876.01
Designated for Subsequent Year's Expenditures	5,432,457.00
Unassigned Fund Balance	<u>14,265,432.25</u>
Subtotal	52,630,181.46
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	<u>(3,514,268.00)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 49,115,913.46</u>

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 2,223,138.57	\$ 2,223,138.57	\$ 2,223,138.57	\$ -
State Sources	8,902,303.07	996,197.46	9,898,500.53	1,143,252.37	8,755,248.16
Federal Sources	16,670,718.00	125,401.00	16,796,119.00	11,106,800.75	5,689,318.25
Total Revenues	25,573,021.07	3,344,737.03	28,917,758.10	14,473,191.69	14,444,566.41
Expenditures:					
Instruction:					
Salaries of Teachers	2,457,703.00	583,610.90	3,041,313.90	1,230,353.97	1,810,959.93
Purchased Professional - Educational Services	199,701.00	(9,718.00)	189,983.00	38,015.00	151,968.00
Other Purchased Services (400-500 Series)	1,299,803.17	694,996.83	1,994,800.00	1,994,025.25	774.75
General Supplies	2,733,643.00	772,992.22	3,506,635.22	1,819,866.10	1,686,769.12
Textbooks	90,415.00	15,699.00	106,114.00	98,438.00	7,676.00
Other Objects	63,000.00	(35,000.00)	28,000.00	6,661.99	21,338.01
Total Instruction	6,844,265.17	2,022,580.95	8,866,846.12	5,187,360.31	1,131,589.60
Support Services:					
Salaries of Other Professional Staff	438,208.50	(224,139.37)	214,069.13	143,710.63	70,358.50
Personal Services - Employee Benefits	440,189.00	46,994.20	487,183.20	200,800.22	286,382.98
Purchased Educational Services	4,012,871.00	138,174.89	4,151,045.89	2,107,124.88	2,043,921.01
Other Purchased Services (400-500 Series)	1,246,464.25	186,168.00	1,432,632.25	849,105.45	583,526.80
Supplies and Materials	299,080.15	(62,490.00)	236,590.15	68,070.84	168,519.31
Other Objects	71,764.00	30.00	71,794.00	60,079.47	11,714.53
Scholarships Awarded	-	2,250.00	2,250.00	2,250.12	(0.12)
Student Activities	-	1,550,919.24	1,550,919.24	1,222,286.06	328,633.18
Total Support Services	6,508,576.90	1,637,906.96	8,146,483.86	4,653,427.67	3,481,341.66
Facilities Acquisition & Construction Services:					
Noninstructional Equipment	12,220,179.00	(315,750.88)	11,904,428.12	3,919,356.82	7,985,071.30
Total Facilities Acquisition & Construction Services	12,220,179.00	(315,750.88)	11,904,428.12	3,919,356.82	7,985,071.30
Total Expenditures	25,573,021.07	3,344,737.03	28,917,758.10	13,760,144.80	-
Total Outflows	25,573,021.07	3,344,737.03	28,917,758.10	13,760,144.80	1,794,374.88
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ 713,046.89	\$ -
Fund Balance, July 1				658,224.00	
Fund Balance, June 30				<u>\$ 1,371,270.89</u>	
Recapitulation:					
Restricted:					
JM Recovery Fund				\$ 6,442.00	
Scholarships				20,131.42	
Student Activities				<u>1,344,697.47</u>	
Total Fund Balance				<u>\$ 1,371,270.89</u>	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
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 (C-Series)	\$ 343,186,050.75	\$ 14,473,191.69
Difference - Budget to GAAP:		
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(3,514,268.00)	-
Prior Year	2,364,034.00	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 342,035,816.75	\$ 14,473,191.69
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 342,164,486.85	\$ 13,760,144.80
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 342,164,486.85	\$ 13,760,144.80

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

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TOWNSHIP OF EDISON SCHOOL DISTRICT
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.2954700%	0.2910231%	0.2881858%	0.2866955%	0.2805651%	0.2949936%	0.2826250%	0.2865743%	0.2707115%
School District's proportionate share of the net pension liability	\$ 35,003,295	\$ 47,458,258	\$ 51,926,710	\$ 56,448,916	\$ 65,311,070	\$ 87,368,643	\$ 63,443,649	\$ 53,654,542	\$ 51,738,350
School District's covered payroll	\$ 21,838,054	\$ 21,024,258	\$ 20,083,828	\$ 19,460,136	\$ 19,067,407	\$ 19,750,285	\$ 19,750,285	\$ 19,363,025	\$ 19,363,025
School District's proportionate share of the net pension liability as a percentage of its covered payroll	160.29%	225.73%	258.55%	290.07%	342.53%	442.37%	321.23%	277.10%	267.20%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

TOWNSHIP OF EDISON SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 3,460,341	\$ 3,183,469	\$ 2,817,476	\$ 2,867,862	\$ 2,647,751	\$ 2,644,532	\$ 2,429,817	\$ 2,362,537	\$ 2,039,814
Contributions in relation to the contractually required contribution	(3,460,341)	(3,183,469)	(2,817,476)	(2,867,862)	(2,647,751)	(2,644,532)	(2,429,817)	(2,362,537)	(2,039,814)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 22,028,234	\$ 21,838,054	\$ 21,024,258	\$ 20,083,828	\$ 19,460,136	\$ 19,067,407	\$ 19,750,285	\$ 19,750,285	\$ 19,363,025
Contributions as a percentage of covered payroll	15.71%	14.58%	13.40%	14.28%	13.61%	13.87%	12.30%	11.96%	10.53%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

TOWNSHIP OF EDISON SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 554,067,697	\$ 705,402,748	\$ 658,453,411	\$ 683,334,392	\$ 721,021,770	\$ 842,265,079	\$ 666,958,416	\$ 561,014,437	\$ 541,444,343
School District's covered payroll	\$ 554,067,697	\$ 705,402,748	\$ 658,453,411	\$ 683,334,392	\$ 721,021,770	\$ 842,265,079	\$ 666,958,416	\$ 561,014,437	\$ 541,444,343
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

NOT AVAILABLE

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST-EMPLOYMENT
BENEFITS (GASB 75)**

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE FISCAL YEARS***

	2022	2021	2020	2019	2018
District's Total OPEB Liability					
Service Cost	\$ 29,834,514	\$ 16,154,161	\$ 15,557,301	\$ 17,376,451	\$ 21,048,998
Interest Cost	14,468,782	13,524,707	16,294,727	17,248,634	14,925,315
Change of Benefit Terms	(593,664)	-	-	-	-
Difference between Expected & Actual Differences	(89,654,318)	107,272,608	(61,894,655)	(35,500,672)	-
Changes of Assumptions	550,269	112,189,219	5,597,328	(47,168,106)	(63,656,760)
Contributions: Member	369,896	324,084	341,598	379,862	400,591
Gross Benefit Payments	(11,397,348)	(10,692,334)	(11,523,832)	(10,990,879)	(10,878,967)
Net Change in District's Total OPEB Liability	(56,421,869)	238,772,445	(35,627,533)	(58,654,710)	(38,160,823)
District's Total OPEB Liability (Beginning)	614,178,022	375,405,577	411,033,110	469,687,820	507,848,643
District's Total OPEB Liability (Ending)	\$ 557,756,153	\$ 614,178,022	\$ 375,405,577	\$ 411,033,110	\$ 469,687,820
District's Covered Employee Payroll	\$ 148,941,859	\$ 146,508,458	\$ 141,575,502	\$ 137,799,156	\$ 134,438,201
District's Net OPEB Liability as a Percentage of Payroll	374%	419%	265%	298%	349%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%
2019	5.60%	2016	3.22%		

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.30%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%
2019	6.28%	2016	3.98%		

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%	2016	2.85%

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**TOWNSHIP OF EDISON SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Title I	Title IIA	Title III	Title III (Imm)	Title IV	IDEA Part B
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	1,429,467.84	253,863.40	53,554.27	27,359.86	54,939.34	4,111,622.63
Total Revenues	1,429,467.84	253,863.40	53,554.27	27,359.86	54,939.34	4,111,622.63
Expenditures:						
Instruction:						
Salaries of Teachers	514,988.25	216,858.22	26,341.52	-	-	395,416.98
Purchased Professional - Educational Services	30,215.00	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	1,994,025.25
General Supplies	698,742.87	-	11,504.42	27,359.86	46,380.00	232,145.51
Textbooks	-	-	-	-	-	-
Other Objects	6,661.99	-	-	-	-	-
Total Instruction	1,250,608.11	216,858.22	37,845.94	27,359.86	46,380.00	2,621,587.74
Support Services:						
Salaries of Other Professional Staff	-	-	4,843.13	-	6,000.00	-
Personal Services - Employee Benefits	61,559.40	14,443.62	-	-	-	115,622.00
Purchased Educational Services	12,350.00	15,592.89	2,500.00	-	2,520.34	1,344,186.00
Other Purchased Services (400-500 Series)	13,920.00	6,968.67	7,622.00	-	9.00	3,039.33
Supplies and Materials	30,950.86	-	743.20	-	30.00	27,187.56
Other Objects	60,079.47	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
Total Support Services	178,859.73	37,005.18	15,708.33	-	8,559.34	1,490,034.89
Facilities Acquisition & Construction Services:						
Noninstructional Equipment	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-
Total Expenditures	1,429,467.84	253,863.40	53,554.27	27,359.86	54,939.34	4,111,622.63
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	IDEA Preschool	ARP IDEA	CARES Act	CRRSA ESSER II	CRRSA Learning Acceleration	ARP ESSER III
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	126,590.35	541,190.65	598.03	3,919,356.82	185,550.11	402,707.45
Total Revenues	126,590.35	541,190.65	598.03	3,919,356.82	185,550.11	402,707.45
Expenditures:						
Instruction:						
Salaries of Teachers	-	-	-	-	75,669.00	1,080.00
Purchased Professional - Educational Services	-	-	-	-	7,000.00	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
General Supplies	4,876.35	11,220.00	598.03	-	99,856.11	401,627.45
Textbooks	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-
Total Instruction	4,876.35	11,220.00	598.03	-	182,525.11	402,707.45
Support Services:						
Salaries of Other Professional Staff	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-
Purchased Educational Services	121,714.00	529,970.65	-	-	3,025.00	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
Total Support Services	121,714.00	529,970.65	-	-	3,025.00	-
Facilities Acquisition & Construction Services:						
Noninstructional Equipment	-	-	-	3,919,356.82	-	-
Total Facilities Acquisition & Construction Services	-	-	-	3,919,356.82	-	-
Total Expenditures	126,590.35	541,190.65	598.03	3,919,356.82	185,550.11	402,707.45
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Non Public Textbooks	Non Public Nursing	Non Public Technology	Non Public Security	Chapter 192	Chapter 193
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	98,438.00	187,617.00	73,266.00	235,837.00	147,634.00	233,464.00
Federal Sources	-	-	-	-	-	-
Total Revenues	98,438.00	187,617.00	73,266.00	235,837.00	147,634.00	233,464.00
Expenditures:						
Instruction:						
Salaries of Teachers	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-
Textbooks	98,438.00	-	-	-	-	-
Other Objects	-	-	-	-	-	-
Total Instruction	98,438.00	-	-	-	-	-
Support Services:						
Salaries of Other Professional Staff	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-
Purchased Educational Services	-	-	73,266.00	-	-	-
Other Purchased Services (400-500 Series)	-	187,617.00	-	235,837.00	147,634.00	233,464.00
Supplies and Materials	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
Total Support Services	-	187,617.00	73,266.00	235,837.00	147,634.00	233,464.00
Facilities Acquisition & Construction Services:						
Noninstructional Equipment	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-
Total Expenditures	98,438.00	187,617.00	73,266.00	235,837.00	147,634.00	233,464.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	FCCLA Grant	Local Grants	JM Recovery Fund	Student Activities	Scholarship	Totals
Revenues:						
Local Sources	\$ -	\$ 285,555.50	\$ -	\$ 1,937,222.53	\$ 360.54	\$ 2,223,138.57
State Sources	166,996.37	-	-	-	-	1,143,252.37
Federal Sources	-	-	-	-	-	11,106,800.75
Total Revenues	166,996.37	285,555.50	-	1,937,222.53	360.54	14,473,191.69
Expenditures:						
Instruction:						
Salaries of Teachers	-	-	-	-	-	1,230,353.97
Purchased Professional - Educational Services	800.00	-	-	-	-	38,015.00
Other Purchased Services (400-500 Series)	-	-	-	-	-	1,994,025.25
General Supplies	-	285,555.50	-	-	-	1,819,866.10
Textbooks	-	-	-	-	-	98,438.00
Other Objects	-	-	-	-	-	6,661.99
Total Instruction	800.00	285,555.50	-	-	-	5,187,360.31
Support Services:						
Salaries of Other Professional Staff	132,867.50	-	-	-	-	143,710.63
Personal Services - Employee Benefits	9,175.20	-	-	-	-	200,800.22
Purchased Educational Services	2,000.00	-	-	-	-	2,107,124.88
Other Purchased Services (400-500 Series)	12,994.45	-	-	-	-	849,105.45
Supplies and Materials	9,159.22	-	-	-	-	68,070.84
Other Objects	-	-	-	-	-	60,079.47
Scholarships Awarded	-	-	-	-	2,250.12	2,250.12
Student Activities	-	-	-	1,222,286.06	-	1,222,286.06
Total Support Services	166,196.37	-	-	1,222,286.06	2,250.12	4,653,427.67
Facilities Acquisition & Construction Services:						
Noninstructional Equipment	-	-	-	-	-	3,919,356.82
Total Facilities Acquisition & Construction Services	-	-	-	-	-	3,919,356.82
Total Expenditures	166,996.37	285,555.50	-	1,222,286.06	2,250.12	13,760,144.80
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	714,936.47	(1,889.58)	713,046.89
Fund Balance, July 1	-	-	6,442.00	629,761.00	22,021.00	658,224.00
Fund Balance, June 30	\$ -	\$ -	\$ 6,442.00	\$ 1,344,697.47	\$ 20,131.42	\$ 1,371,270.89

F. Capital Projects Fund

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EXHIBIT F-1

TOWNSHIP OF EDISON SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2022

<u>Project Title / Issue</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2022</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Woodbrook School Addition	\$ 11,006,804.00	\$ 10,703,500.00	\$ 72,403.41	\$ 230,900.59
Total	\$ 11,006,804.00	\$ 10,703,500.00	\$ 72,403.41	\$ 230,900.59

**TOWNSHIP OF EDISON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

Total Revenues and Other Financing Sources	-
Expenditures and Other Financing Uses:	
Transfer to Debt Service Fund	72,403.41
Total Expenditures and Other Financing Uses	72,403.41
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(72,403.41)
Fund Balance, July 1	303,304.03
Fund Balance, June 30	\$ 230,900.62

**TOWNSHIP OF EDISON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
WOODBROOK SCHOOL ADDITION
YEAR ENDED JUNE 30, 2022**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Lease Purchase Agreement	\$ 5,000,000.00	\$ -	\$ 5,000,000.00	\$ 5,000,000.00
Transfer from General Fund Balance	86,804.00	-	86,804.00	86,804.00
Transfer from Capital Outlay	5,920,000.00	-	5,920,000.00	5,920,000.00
Total Revenues and Other Financing Sources	11,006,804.00	-	11,006,804.00	11,006,804.00
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund	72,403.41	72,403.41	144,806.82	72,403.41
Construction Services	10,631,096.59	-	10,631,096.59	10,631,096.59
Total Expenditures and Other Financing Uses	10,703,500.00	72,403.41	10,775,903.41	10,703,500.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 303,304.00	\$ (72,403.41)	\$ 230,900.59	\$ 303,304.00

Additional Project Information:

Name of Project:
Referendum Project

Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	10,920,000
Additional Authorized Cost	86,804
Revised Authorized Cost	11,006,804
Percentage Increase over Original Authorized Cost	0.79%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2022
Revised Target Completion Date	6/30/2022

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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TOWNSHIP OF EDISON SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS PAYABLE
 YEAR ENDED JUNE 30, 2022

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2021	RETIRED	BALANCE JUNE 30, 2022
			DATE	AMOUNT				
Refunding School Bonds	11/17/10	\$ 4,995,000	7/15/2022	\$ 500,000	4.00%	\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00
Total						\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00

TOWNSHIP OF EDISON SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER FINANCE PURCHASES
 YEAR ENDED JUNE 30, 2022

PURPOSE	DATE OF LEASE	TERM OF LEASE	AMOUNT OF FINANCE PURCHASE	INTEREST		AMOUNT OUTSTANDING JUNE 30, 2021	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2022
				PRINCIPAL	RATE			
Equipment Lease - Buses			<i>Not Available</i>			\$ 230,339.00	\$ 110,347.00	\$ 119,992.00
Equipment Lease - Apple Comps			<i>Not Available</i>			1,145,120.00	1,145,120.00	-
Equipment Lease - Apple Comps			<i>Not Available</i>			5,114,761.00	1,278,690.25	3,836,070.75
Total						\$ 6,490,220.00	\$ 2,534,157.25	\$ 3,956,062.75

TOWNSHIP OF EDISON SCHOOL DISTRICT
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 500,000.00	\$ -	\$ 500,000.00	\$ -
State Sources:				
Debt Service Aid Type II	28,750.00	-	28,750.00	-
Total Revenues	528,750.00	-	528,750.00	-
Expenditures:				
Regular Debt Service:				
Interest	28,750.00	-	28,750.00	-
Redemption of Principal	500,000.00	-	500,000.00	-
Total Regular Debt Service	528,750.00	-	528,750.00	-
Total Expenditures	528,750.00	-	528,750.00	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-
Transfer from Capital Projects Fund	-	-	72,403.41	72,403.41
Fund Balance, July 1,	(72,403.41)	-	(72,403.41)	-
Fund Balance, June 30,	\$ (72,403.41)	\$ -	\$ (72,403.41)	\$ -

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

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

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TOWNSHIP OF EDISON SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 158,900,476.64	\$ 135,008,929.00	\$ 136,870,326.00	\$ 132,853,609.00	\$ 129,852,664.00	\$ 119,585,314.00	\$ 125,431,804.00	\$ 100,882,684.00	\$ 97,494,793.00	\$ 88,724,307.00
Restricted	34,534,463.72	39,795,587.00	28,318,087.00	22,995,185.00	12,200,776.00	18,505,264.00	8,987,280.00	18,635,666.00	10,805,180.00	5,934,671.00
Unrestricted (Deficit)	(42,548,891.75)	(50,359,750.00)	(63,098,278.00)	(63,528,679.00)	(63,664,829.00)	(61,481,104.00)	(55,358,297.00)	(52,267,015.00)	(50,137,013.00)	4,882,021.00
Total Governmental Activities	\$ 150,886,048.61	\$ 124,444,766.00	\$ 102,090,135.00	\$ 92,320,115.00	\$ 78,388,611.00	\$ 76,609,474.00	\$ 79,060,786.00	\$ 67,251,336.00	\$ 58,162,960.00	\$ 99,540,999.00
Business-Type Activities:										
Net Investment in Capital Assets	\$ 635,634.59	\$ 527,091.00	\$ 127,342.00	\$ 190,410.00	\$ 282,720.00	\$ 265,401.00	\$ 344,442.00	\$ 249,443.00	\$ 295,283.00	\$ 77,235.00
Unrestricted (Deficit)	2,874,483.21	1,364,370.00	1,639,834.00	1,247,498.00	599,165.00	410,949.00	312,806.00	304,821.00	149,726.00	144,660.00
Total Business-Type Activities	\$ 3,510,117.80	\$ 1,891,461.00	\$ 1,767,176.00	\$ 1,437,908.00	\$ 881,885.00	\$ 676,349.00	\$ 657,248.00	\$ 554,263.00	\$ 445,009.00	\$ 221,895.00
District-Wide:										
Net Investment in Capital Assets	\$ 159,536,111.23	\$ 135,536,020.00	\$ 136,997,668.00	\$ 133,044,019.00	\$ 130,135,384.00	\$ 119,850,715.00	\$ 125,776,246.00	\$ 101,132,127.00	\$ 97,790,076.00	\$ 88,801,542.00
Restricted	34,534,463.72	39,795,587.00	28,318,087.00	22,995,185.00	12,200,776.00	18,505,264.00	8,987,280.00	18,635,666.00	10,805,180.00	5,934,671.00
Unrestricted (Deficit)	(39,674,408.54)	(48,995,380.00)	(61,458,444.00)	(62,281,181.00)	(63,065,664.00)	(61,070,155.00)	(55,045,491.00)	(51,962,194.00)	(49,987,287.00)	5,026,681.00
Total District Net Position	\$ 154,396,166.41	\$ 126,336,227.00	\$ 103,857,311.00	\$ 93,758,023.00	\$ 79,270,496.00	\$ 77,285,823.00	\$ 79,718,034.00	\$ 67,805,599.00	\$ 58,607,969.00	\$ 99,762,894.00

Source: ACFR Schedule A-1

TOWNSHIP OF EDISON SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

Unaudited

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 153,868,875	\$ 102,124,950.00	\$ 95,818,880.00	\$ 92,698,514.00	\$ 91,031,978.00	\$ 87,673,141.00	\$ 86,217,699.00	\$ 85,784,306.00	\$ 81,833,869.00	\$ 79,340,121.00
Special Education	31,484,601	21,340,533.00	21,243,809.00	21,065,750.00	20,508,656.00	20,059,605.00	19,842,956.00	19,316,496.00	21,357,288.00	20,918,581.00
Other Special Education	-	1,516,973.00	1,330,839.00	1,210,686.00	1,200,052.00	906,479.00	930,588.00	1,011,309.00	1,280,357.00	1,365,947.00
Other Instruction	5,548,140	2,335,017.00	2,185,477.00	2,196,501.00	2,148,738.00	2,122,360.00	2,039,350.00	1,949,085.00	1,827,688.00	1,895,474.00
Support Services:										
Tuition	12,003,132	10,534,568.00	11,487,581.00	11,626,621.00	11,412,604.00	11,332,821.00	11,143,730.00	10,347,435.00	11,097,935.00	11,886,418.00
Student & Instruction Related Services	36,337,638	29,497,016.00	28,436,452.00	28,448,055.00	27,032,395.00	29,419,548.00	30,704,494.00	27,074,494.00	24,154,306.00	24,378,565.00
School Administrative Services	11,415,666	9,096,330.00	8,899,424.00	8,056,964.00	7,277,622.00	7,291,271.00	7,118,576.00	6,785,658.00	6,596,004.00	6,545,514.00
General & Business Administrative Services	4,352,409	8,296,068.00	7,485,252.00	7,346,041.00	6,800,169.00	6,004,082.00	6,025,237.00	6,798,706.00	6,348,868.00	5,822,925.00
Central Services	6,836,578	-	-	-	-	-	-	-	-	-
Administration Information Technology	2,938,516	-	-	-	-	-	-	-	-	-
Plant Operations & Maintenance	18,206,466	17,956,035.00	19,910,646.00	17,487,273.00	17,486,375.00	17,002,638.00	17,345,265.00	16,550,505.00	16,413,203.00	16,228,439.00
Pupil Transportation	21,606,121	12,196,544.00	15,067,180.00	16,267,147.00	13,438,666.00	12,459,613.00	11,768,590.00	10,836,391.00	10,083,828.00	9,722,794.00
Unallocated Benefits	-	100,584,422.00	95,024,409.00	102,382,149.00	139,188,592.00	120,942,893.00	60,156,953.00	53,867,809.00	48,838,297.00	50,598,631.00
Special Schools	556,655	314,668.00	339,924.00	348,439.00	275,713.00	333,170.00	299,703.00	332,925.00	343,070.00	347,500.00
Interest & Other Charges	93,589	683,298.00	(16,124.00)	62,957.00	12,162.00	224,480.00	249,435.00	286,626.00	357,357.00	460,308.00
Other related capital assets and debt (net)	-	14,270.00	619,050.00	1,783,048.00	539,837.00	-	-	-	(2,678,590.00)	(2,688,062.00)
Unallocated Depreciation	-	990,016.00	1,164,315.00	1,153,413.00	1,165,319.00	1,210,319.00	1,003,407.00	1,285,512.00	1,404,837.00	888,895.00
Total Governmental Activities	305,248,387	317,480,708.00	308,997,114.00	312,133,556.00	339,519,079.00	316,982,420.00	254,845,682.00	242,227,257.00	229,258,318.00	227,712,048.00
Business-Type Activities:										
Food Service	8,741,613	2,918,645.00	4,030,582.00	4,835,078.00	4,711,360.00	4,828,483.00	4,779,797.00	4,814,955.00	4,417,049.00	4,614,168.00
Total Business-Type Activities	8,741,613	2,918,645.00	4,030,582.00	4,835,078.00	4,711,360.00	4,828,483.00	4,779,797.00	4,814,955.00	4,417,049.00	4,614,168.00
Total District Expenses	\$ 313,990,000	\$ 320,399,353.00	\$ 313,027,696.00	\$ 316,968,634.00	\$ 344,230,440.00	\$ 321,810,903.00	\$ 259,625,480.00	\$ 247,042,212.00	\$ 233,675,366.00	\$ 232,326,216.00
Program Revenues:										
Charges for Services	\$ 1,350,192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Instruction (Tuition)	-	62,826,955.00	57,911,976.00	67,904,519.00	100,800,533.00	81,385,438.00	26,731,872.00	22,606,846.00	19,555,148.00	22,567,903.00
Operating Grants & Contributions	49,533,421	-	266,778.00	266,778.00	239,430.00	239,886.00	235,206.00	254,852.00	257,511.00	261,377.00
Interest on Long-Term Debt	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	50,883,613	72,429,613.00	58,178,754.00	68,171,297.00	101,039,963.00	81,625,324.00	26,967,078.00	22,861,698.00	19,812,659.00	22,829,280.00
Business-Type Activities:										
Charges for Services:										
Food Service	508,667	84,280.00	1,952,270.00	2,942,264.00	2,612,130.00	2,509,724.00	2,594,457.00	2,672,971.00	2,532,414.00	2,563,961.00
Operating Grants & Contributions	9,851,603	2,958,650.00	2,407,580.00	2,448,836.00	2,304,766.00	2,337,861.00	2,288,325.00	2,251,239.00	2,105,405.00	1,965,376.00
Total Business Type Activities	10,360,270	3,042,930.00	4,359,850.00	5,391,101.00	4,916,896.00	4,847,585.00	4,882,782.00	4,924,210.00	4,637,818.00	4,529,338.00
Program Revenues	\$ 61,243,883	\$ 75,472,543.00	\$ 62,538,604.00	\$ 73,562,398.00	\$ 105,956,859.00	\$ 86,472,909.00	\$ 31,849,860.00	\$ 27,785,908.00	\$ 24,450,477.00	\$ 27,338,618.00
Total District Program Revenues	\$ (254,364,774)	\$ (245,051,095.00)	\$ (250,818,360.00)	\$ (243,962,259.00)	\$ (238,479,116.00)	\$ (235,357,096.00)	\$ (227,878,605.00)	\$ (219,365,559.00)	\$ (209,445,659.00)	\$ (204,882,768.00)
Net (Expense)/Revenue:	1,618,657	124,283.00	329,268.00	556,023.00	19,101.00	102,985.00	109,254.00	220,770.00	(84,830.00)	(84,830.00)
Governmental Activities										
Business-Type Activities										
Total District-Wide Net Expense	\$ (252,746,117)	\$ (244,926,810.00)	\$ (250,489,092.00)	\$ (243,406,236.00)	\$ (238,273,580.00)	\$ (235,337,994.00)	\$ (227,775,620.00)	\$ (219,256,304.00)	\$ (209,224,889.00)	\$ (204,967,598.00)

TOWNSHIP OF EDISON SCHOOL DISTRICT
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
 LAST TEN FISCAL YEARS
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 234,538,000	\$ 234,538,072.00	\$ 223,780,133.00	\$ 221,404,709.00	\$ 210,979,513.00	\$ 208,422,141.00	\$ 202,733,373.00	\$ 192,344,442.00	\$ 188,618,861.00	\$ 186,560,713.00
Taxes Levied for Debt Service	500,000	475,096.00	920,609.00	1,020,612.00	1,609,314.00	1,581,038.00	1,633,488.00	1,652,756.00	1,572,148.00	1,674,995.00
Unrestricted Grants and Contributions	30,381,987.00	30,381,987.00	27,005,051.00	25,768,626.00	19,117,380.00	17,959,653.00	17,272,473.00	17,934,322.00	16,669,027.00	16,949,425.00
Restricted Grants and Contributions	43,287,956	-	6,241,191.00	6,900,421.00	6,723,469.00	6,189,095.00	6,006,674.00	5,930,738.00	5,862,203.00	5,794,819.00
Tuition Received	-	304,115.00	377,421.00	315,723.00	326,726.00	428,771.00	410,151.00	679,042.00	1,131,055.00	729,781.00
Fire Recovery	-	-	-	-	-	-	10,903,978.00	8,310,723.00	4,385,300.00	-
Refunding Bonds Net Proceeds	-	-	-	-	-	-	-	-	54,500.00	-
Miscellaneous Income	3,622,396	2,007,283.00	2,267,601.00	2,768,237.00	1,982,038.00	2,223,361.00	2,150,459.00	2,173,012.00	2,009,746.00	1,733,559.00
Special Item(s) - Charges and Adjustments - Net	(1,142,295)	(300,727.00)	(729,214.00)	(182,663.00)	(480,186.00)	(3,444,783.00)	(999,880.00)	-	118,331.00	132,266.00
Transfers Out to Charter Schools	-	-	(756,104.00)	(467,228.00)	(480,186.00)	(453,494.00)	(422,660.00)	(571,100.00)	(482,538.00)	(443,401.00)
Total Governmental Activities	280,806,056	267,405,726.00	259,106,688.00	257,893,763.00	240,258,253.00	232,905,783.00	239,688,055.00	228,453,934.00	219,938,634.00	213,132,157.00
Business-Type Activities:										
Miscellaneous Income	-	-	-	-	-	-	-	-	2,345.00	-
Total Business-Type Activities	-	-	-	-	-	-	-	-	2,345.00	-
Total District-Wide	\$ 280,806,056	\$ 267,405,726.00	\$ 259,106,688.00	\$ 257,893,763.00	\$ 240,258,253.00	\$ 232,905,783.00	\$ 239,688,055.00	\$ 228,453,934.00	\$ 219,940,978.00	\$ 213,132,157.00
Change in Net Position:										
Governmental Activities	\$ 26,441,283	\$ 22,354,631.00	\$ 8,288,328.00	\$ 13,931,504.00	\$ 1,779,137.00	\$ (2,451,312.00)	\$ 11,809,450.00	\$ 9,088,375.00	\$ 10,492,975.00	\$ 8,249,389.00
Business-Type Activities	1,618,657	124,285.00	329,268.00	556,023.00	205,536.00	19,101.00	102,985.00	109,254.00	223,114.00	(84,830.00)
Total District	\$ 28,059,939	\$ 22,478,916.00	\$ 8,617,596.00	\$ 14,487,527.00	\$ 1,984,673.00	\$ (2,432,211.00)	\$ 11,912,435.00	\$ 9,197,630.00	\$ 10,716,089.00	\$ 8,164,559.00

Source: ACFR Schedule A-2

TOWNSHIP OF EDISON SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 32,932,292.21	\$ 39,960,515.00	\$ 26,902,339.00	\$ 22,132,965.00	\$ 10,241,349.00	\$ 7,363,987.00	\$ 5,817,000.00	\$ 10,579,611.00	\$ 9,276,614.00	\$ 5,075,951.00
Unrestricted	10,751,164.25	11,237,651.00	5,644,869.00	4,113,587.00	3,200,856.00	2,683,381.00	2,398,736.00	4,526,526.00	4,934,734.00	6,956,488.00
Assigned	5,432,457.00	-	-	-	-	-	-	-	-	-
Total General Fund	49,115,913.46	51,198,166.00	32,547,208.00	26,246,552.00	13,442,206.00	10,047,368.00	8,215,736.00	15,106,138.00	14,211,348.00	12,032,439.00
All Other Governmental Funds:										
Restricted	\$ 1,602,171.51	\$ 961,528.00	\$ 1,079,324.00	\$ 375,708.00	\$ 390,109.00	\$ 9,346,967.00	\$ 1,873,271.00	\$ 5,427,103.00	\$ (386,860.00)	\$ 547,507.00
Unrestricted, Reported in:										
Debt Service Fund	-	(72,403.00)	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 1,602,171.51	\$ 889,125.00	\$ 1,079,324.00	\$ 375,708.00	\$ 390,109.00	\$ 9,346,967.00	\$ 1,873,271.00	\$ 5,427,103.00	\$ (386,860.00)	\$ 547,507.00

Source: ACFR Schedule B-1

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Tax Levy	\$ 235,038,000.00	\$ 235,013,168.00	\$ 224,700,742.00	\$ 222,425,321.00	\$ 212,588,827.00	\$ 210,003,179.00	\$ 204,366,861.00	\$ 193,997,198.00	\$ 190,191,009.00	\$ 188,235,708.00
Tuition Charges	250,641.00	304,115.00	377,421.00	315,723.00	326,726.00	428,771.00	410,151.00	679,042.00	1,131,055.00	729,781.00
Transportation Fees	1,099,550.51	113,172.00	770,050.00	1,337,950.00	1,040,637.00	1,297,471.00	1,167,520.00	1,086,685.00	1,011,345.00	797,137.00
Miscellaneous	3,907,951.19	1,264,101.00	1,432,931.00	1,359,575.00	860,954.00	863,255.00	895,880.00	1,013,869.00	998,401.00	839,386.00
Financing Sources	-	-	-	-	-	5,000,000.00	-	-	-	5,000,000.00
Local Sources	-	630,010.00	64,621.00	70,712.00	80,446.00	62,636.00	87,059.00	72,458.00	88,970.00	97,036.00
State Sources	105,440.11	82,340.77	69,326.17	66,815.11	55,034.37	48,971.31	44,892,036.00	41,369,159.00	37,250,007.00	40,457,534.00
Federal Sources	11,301,498.70	8,783,587.00	5,294,714.00	5,975,174.00	5,937,536.00	5,564,103.00	5,354,188.00	5,357,599.00	5,108,036.00	5,115,991.00
Total Revenues	357,037,758.44	328,448,926.00	301,966,658.00	298,299,565.00	275,869,499.00	272,190,726.00	257,173,695.00	243,576,010.00	235,778,824.00	241,272,572.00
Expenditures										
Instruction:										
Regular Instruction	100,917,760.62	98,221,709.00	90,116,989.00	88,019,812.00	86,067,824.00	83,096,228.00	81,052,274.00	80,781,441.00	77,295,794.00	76,044,909.00
Special Education Instruction	20,649,760.94	21,340,533.00	21,243,809.00	21,065,750.00	20,508,656.00	20,059,605.00	19,842,956.00	19,316,496.00	21,537,288.00	20,918,581.00
Other Special Instruction	-	1,516,973.00	1,330,839.00	1,210,686.00	1,200,052.00	906,479.00	930,588.00	1,011,309.00	1,280,357.00	1,365,947.00
Other Instruction	3,638,850.90	2,335,017.00	2,185,477.00	2,196,501.00	2,148,738.00	2,122,360.00	2,039,350.00	1,949,085.00	1,827,688.00	1,895,474.00
Support Services:										
Tuition	10,020,163.34	10,534,568.00	11,487,581.00	11,626,621.00	11,412,604.00	11,332,821.00	11,143,730.00	10,347,435.00	11,097,935.00	11,886,418.00
Attendance & Social Work Services	269,111.16	-	-	-	-	-	-	-	-	-
Health Services	2,403,169.24	-	-	-	-	-	-	-	-	-
Student & Instruction Related Services	27,662,223.62	29,497,016.00	28,436,453.00	28,448,055.00	27,032,395.00	27,057,754.00	25,958,443.00	25,637,598.00	24,154,306.00	24,378,565.00
School Administrative Services	9,529,749.47	9,096,330.00	8,899,424.00	8,056,964.00	7,277,622.00	7,291,271.00	7,118,576.00	6,785,658.00	6,596,004.00	6,545,514.00
Other Administrative Services	3,633,372.46	8,296,063.00	7,485,232.00	7,346,041.00	6,800,169.00	6,004,082.00	6,025,237.00	6,798,706.00	6,348,868.00	5,822,925.00
Central Services	1,437,365.84	-	-	-	-	-	-	-	-	-
Administration Information	2,453,060.81	-	-	-	-	-	-	-	-	-
Technology Services	17,314,182.91	19,329,462.00	19,910,646.00	17,487,273.00	17,486,575.00	17,002,638.00	17,345,265.00	16,550,505.00	16,413,203.00	16,228,439.00
Plant Operations & Maintenance	18,036,696.91	12,196,544.00	15,067,180.00	16,267,147.00	13,438,666.00	12,459,613.00	11,768,590.00	10,836,591.00	10,083,828.00	9,722,794.00
Pupil Transportation	111,584,879.04	90,497,866.00	78,336,992.00	74,686,854.00	70,738,152.00	63,701,878.00	58,036,598.00	52,875,108.00	49,454,050.00	51,603,300.00
Unallocated Benefits	464,693.00	314,668.00	339,924.00	348,439.00	275,713.00	333,170.00	299,703.00	332,925.00	343,070.00	347,500.00
Special Schools	953,583.00	-	-	-	-	-	-	-	-	-
Transfer to Charter Schools	25,807,474.39	11,695,376.00	9,264,328.00	15,064,099.00	15,205,832.00	10,490,492.00	38,759,269.00	10,643,808.00	10,745,385.00	12,621,651.00
Debt Service:										
Principal	500,000.00	500,000.00	1,000,000.00	1,110,000.00	1,685,000.00	1,635,000.00	1,605,000.00	1,580,082.00	1,490,000.00	1,465,000.00
Interest & Other Charges	130,867.00	47,500.00	71,175.00	104,988.00	163,744.00	215,613.00	263,694.00	297,838.00	421,228.00	471,371.00
Cost of Issuance	-	-	-	-	-	-	-	-	54,500.00	-
Total Expenditures	357,406,964.65	315,419,650.00	295,176,069.00	293,039,229.00	281,441,743.00	263,709,003.00	282,169,273.00	245,744,384.00	238,963,505.00	241,318,388.00
Other Financing Sources/(Uses):										
Refunding Bonds Proceeds	-	-	-	-	-	-	-	-	2,585,000.00	-
Refunding Bonds Premium	-	-	-	-	-	-	-	-	83,163.00	-
Payment to Bond Escrow Agent	-	-	-	-	-	-	-	-	(2,613,663.00)	-
Insurance - Fire Recovery	-	-	-	-	-	-	10,903,978.00	8,310,723.00	4,385,300.00	-
Capital Leases (Non-budgeted)	-	5,114,761.00	217,309.00	6,422,141.00	490,410.00	1,277,099.00	4,070,026.00	1,137,505.00	353,629.00	20,936.00
Transfer In/(Out) - Workers Compensation	-	-	-	1,392,033.00	(102,920.00)	-	-	-	-	-
Prior Year Accounts Receivable/Payables Adjusted - Net	-	-	(729,214.00)	191,963.00	-	-	-	-	118,331.00	132,266.00
Prior Year State Aid Exp. Adjustment	-	-	-	(9,300.00)	-	-	-	-	-	-
Transfers In	72,403.41	(683,298.00)	(756,104.00)	(467,228.00)	(377,266.00)	(453,494.00)	(422,660.00)	(571,100.00)	(482,538.00)	(443,401.00)
Transfers Out	(72,403.41)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	4,431,463.00	(1,268,009.00)	7,529,610.00	10,224.00	823,605.00	14,551,344.00	8,877,127.00	4,429,223.00	(290,199.00)
Net Change in Fund Balances	\$(69,206.21)	\$ 17,460,759.00	\$ 5,522,580.00	\$ 12,789,945.00	\$ (5,562,020.00)	\$ 9,305,328.00	\$ (10,444,234.00)	\$ 6,708,753.00	\$ 1,244,542.00	\$ (336,014.00)
Debt Service as a Percentage of Noncapital Expenditures	0.18%	0.17%	0.36%	0.42%	0.66%	0.71%	0.67%	0.77%	0.81%	0.81%

Source: ACFR Schedule B-2

TOWNSHIP OF EDISON SCHOOL DISTRICT
 GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

FISCAL YEAR ENDING JUNE 30,	REFUND OF PRIOR YEAR EXPENDITURES	RENTALS	TUITION	INTEREST ON INVESTMENTS	INTEREST ON CAPITAL RESERVE	TUITION FROM OTHER LEA'S	TRANSPORTATION FEES	MISCELLANEOUS	TOTAL
2022	\$ 1,334,131.00	\$ -	\$ 250,641.00	\$ 350,681.62	\$ -	\$ -	\$ 1,099,550.51	\$ -	\$ 3,035,004.13
2021	-	-	304,115.00	20,177.00	-	-	-	1,357,096.00	1,681,388.00
2020	-	-	377,421.00	436,689.00	-	-	-	1,766,291.00	2,580,401.00
2019	-	-	315,723.00	534,257.00	-	-	-	825,318.00	1,675,298.00
2018	-	-	326,726.00	266,491.00	-	-	-	774,861.00	1,368,078.00
2017	-	-	428,771.00	122,038.00	-	-	-	764,291.00	1,315,100.00
2016	-	-	410,151.00	97,143.00	-	-	-	798,737.00	1,306,031.00
2015	-	-	679,042.00	72,557.00	-	-	-	594,227.00	1,345,826.00
2014	-	-	1,131,055.00	66,030.00	-	-	-	932,371.00	2,129,456.00
2013	-	-	729,781.00	76,734.00	-	-	-	1,559,789.00	2,366,304.00

Source: District Records

Revenue Capacity Information

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

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

TOWNSHIP OF EDISON SCHOOL DISTRICT

Year Ending December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Less:		Total Direct School Tax Rate ^b
								Total Assessed Value	Estimated Actual (County Equalized) Value	
2013	130,070,200.00	4,492,524,800.00	21,500.00	-	1,076,715,300.00	904,392,300.00	385,687,000.00			
2014	127,961,100.00	4,495,846,500.00	21,500.00	-	1,079,794,800.00	934,318,300.00	385,687,000.00			
2015	123,956,600.00	4,505,085,800.00	21,500.00	-	1,066,092,500.00	941,348,900.00	423,345,800.00			
2016	118,113,900.00	4,514,156,800.00	21,500.00	-	1,049,012,000.00	960,164,300.00	421,038,400.00			
2017	110,765,600.00	4,537,471,500.00	21,500.00	-	1,037,523,300.00	985,777,300.00	421,098,400.00			
2018	112,334,500.00	4,555,103,000.00	14,600.00	-	1,050,210,000.00	1,001,824,600.00	421,062,100.00			
2019	117,169,300.00	4,576,640,200.00	14,600.00	-	1,055,954,300.00	1,015,239,200.00	423,752,100.00			
2020	119,748,350.00	4,600,896,200.00	9,700.00	-	1,054,359,700.00	1,021,513,000.00	461,956,800.00			
2021	130,153,700.00	4,605,065,900.00	13,000.00	-	1,049,489,700.00	1,021,960,800.00	469,101,500.00			
2022	130,153,700.00	4,605,065,900.00	13,000.00	-	1,049,489,700.00	1,021,960,800.00	469,101,500.00			

Source: Middlesex County Abstract of Ratables

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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100

R Reassessment of property values

N/A At the time of ACFR Completion, this data was not yet available

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)**

Unaudited

TOWNSHIP OF EDISON SCHOOL DISTRICT

Year Ending December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Direct School Tax Rate	Township of Edison	Middlesex County		
2013*	2.625	0.043	2.668	1.126	0.687		4.481
2014*	2.695	0.038	2.733	1.205	0.788		4.726
2015*	2.787	0.033	2.820	1.235	0.809		4.864
2016*	2.906	0.026	2.932	1.269	0.855		5.056
2017*	2.957	0.021	2.978	1.288	0.890		5.156
2018*	3.029	0.016	3.045	1.306	0.921		5.272
2019*	3.103	0.005	3.108	1.360	0.940		5.408
2020*	3.161	0.005	3.166	1.431	1.032		5.629
2021*	3.223	0.005	3.228	1.470	0.985		5.683
2022*	3.223	0.005	3.228	1.470	0.985		5.683

Source: Middlesex County Abstract of Ratables

*Middlesex County - Includes Open Space Recreation & Historic Preservation for years 2006 and subsequent.

Note: N.J.S.A. 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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

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

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

^b At the time of ACFR Completion, this data was not yet available

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**
Unaudited

TOWNSHIP OF EDISON SCHOOL DISTRICT

	2022			2013		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1		1			1	
Taxpayer 2		2			2	
Taxpayer 3		3			3	
Taxpayer 4		4			4	
Taxpayer 5		5			5	
Taxpayer 6		6			6	
Taxpayer 7		7			7	
Taxpayer 8		8			8	
Taxpayer 9		9			9	
Taxpayer 10		10			10	
Total	\$ -			\$ -		

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited

Year Ended December 31,	Taxes Levied for the Fiscal Year	Collector Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	188,235,708.00	188,235,708.00	100%	-
2014	190,191,009.00	190,191,009.00	100%	-
2015	193,997,198.00	192,094,103.00	99.02%	1,903,095.00
2016	204,366,861.00	204,366,861.00	100%	-
2017	210,003,178.00	210,003,178.00	100%	-
2018	212,588,827.00	212,588,827.00	100%	-
2019	222,425,321.00	222,425,321.00	100%	-
2020	224,700,742.00	224,700,742.00	100%	-
2021	234,538,072.00	234,538,072.00	100%	-
2022	234,538,000.00	234,538,000.00	100%	-

Source: District records including the Certificate and Report of School Taxes (A4F form)

- 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.

DEBT CAPACITY INFORMATION

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

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RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Unaudited

Fiscal Year Ending June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	Type II General Obligation Bonds ^b	Finance Purchase Agreements	Capital Leases			
2013	\$ 8,100,000.00	\$ 10,806,000.00	\$ 154,843.00	\$ 19,060,843.00	N/A	\$ 375
2014	7,230,000.00	9,036,000.00	366,531.00	16,632,531.00	N/A	319
2015	6,320,000.00	7,195,000.00	1,156,502.00	14,671,502.00	0.47%	271
2016	5,385,000.00	4,930,000.00	4,428,647.00	14,743,647.00	N/A	263
2017	4,440,000.00	7,580,000.00	4,375,922.00	16,395,922.00	N/A	396
2018	3,480,000.00	3,459,077.00	3,286,806.00	10,225,883.00	N/A	239
2019	2,500,000.00	-	1,746,999.00	4,246,999.00	N/A	N/A
2020	1,500,000.00	-	2,630,926.00	4,130,926.00	N/A	N/A
2021	1,000,000.00	-	1,746,999.00	2,746,999.00	N/A	N/A
2022	500,000.00	3,956,062.75	-	4,456,062.75	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

b Includes Early Retirement Incentive Plan ("ERIP") refunding

N/A At the time of ACFR completion, data was not yet available

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

Fiscal Year <u>Ending June 30.</u>	General Bonded Debt Outstanding		Net General Bonded Debt <u>Outstanding</u>	Percentage of Actual Taxable Value ^a of <u>Property</u>	Per <u>Capita</u> ^b
	Type II General Obligation <u>Bonds</u>	<u>Deductions</u>			
2013	8,100,000.00	-	8,100,000.00	0.12%	160.00
2014	7,255,000.00	-	7,255,000.00	0.12%	139.00
2015	6,320,000.00	-	6,320,000.00	0.10%	117.00
2016	5,385,000.00	-	5,385,000.00	0.09%	96.00
2017	4,440,000.00	-	4,440,000.00	0.07%	107.00
2018	3,480,000.00	-	3,480,000.00	0.05%	81.00
2019	2,500,000.00	-	2,500,000.00	0.04%	N/A
2020	1,500,000.00	-	1,500,000.00	0.02%	N/A
2021	1,000,000.00	-	1,000,000.00	0.02%	N/A
2022	500,000.00	-	500,000.00	0.02%	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022
Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Township of Edison	135,369,949.00	100.00%	\$ 135,369,949.00
Middlesex County General Obligation Debt:			
Township of Edison	437,455,272.00	15.31%	\$ 66,974,402.14
Subtotal, Overlapping Debt			202,344,351.14
Edison Township School District Direct Debt			<u>4,456,062.75</u>
Total Direct and Overlapping Debt			<u>\$ 206,800,413.89</u>

Sources: 2022 Annual Debt Statement of Township of Edison, Edison Township Finance Office, 2022 Annual Debt Statement of the County of Middlesex.

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 Edison Township. This process recognized that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

N/A At the time of ACFR Completion, this data was not yet available

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
Unaudited

	Edison Township												
	2021	2020	2019	(A)	(A/3)	(B)	(C)	(B-C)	2013	2014	2015	2016	2017
Legal Debt Margin Calculation for Fiscal Year 2020													
Equalized Valuation Basis													
Average Equalized Valuation of Taxable Property	18,027,033,665.00	18,027,033,665.00	18,977,744,720.00	55,031,812,050.00	18,343,937,350.00	550,318,120.50	4,456,062.75	545,862,057.75					
Debt Limit (3% of Average Equalization Value) a													
Total Net Debt Applicable To Limit													
Legal Debt Margin													
Debt Limit	\$ 595,132,099.00	\$ 572,536,174.00	\$ 568,837,499.00	\$ 562,517,499.00	\$ 403,038,459.00	\$ 614,096,880.00	\$ 4,440,000.00	\$ 609,656,880.00	\$ 8,100,000.00	7,230,000.00	6,320,000.00	5,385,000.00	4,440,000.00
Total Net Debt Applicable To Limit													
Legal Debt Margin	\$ 587,032,099.00	\$ 565,306,174.00	\$ 562,517,499.00	\$ 562,517,499.00	\$ 397,653,459.00	\$ 609,656,880.00	\$ 4,440,000.00	\$ 609,656,880.00					
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.36%	1.26%	1.11%	1.11%	1.34%	0.72%	0.72%	0.72%					
Debt Limit													
Total Net Debt Applicable To Limit	\$ 638,615,522.00	\$ 450,285,423.00	\$ 703,322,020.00	\$ 701,822,020.00	\$ 724,904,257.00	\$ 550,318,120.50	\$ 4,456,062.75	\$ 545,862,057.75	\$ 3,480,000.00	2,500,000.00	1,500,000.00	1,000,000.00	4,456,062.75
Legal Debt Margin	\$ 635,135,522.00	\$ 447,785,423.00	\$ 701,822,020.00	\$ 701,822,020.00	\$ 723,904,257.00	\$ 545,862,057.75	\$ 4,456,062.75	\$ 545,862,057.75					
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.54%	0.56%	0.21%	0.21%	0.14%	0.81%	0.81%	0.81%					

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

a Limit set by N.J.S.A. 18A:24-19 for a 9 through 12 District; other percentage limits would be applicable for other District types.

DEMOGRAPHIC AND ECONOMIC STATISTICS

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

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**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
*Unaudited***

TOWNSHIP OF EDISON SCHOOL DISTRICT

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2013	100,921	5,124,465,617	50,777	8.20%
2014	101,054	5,261,982,834	52,071	6.80%
2015	100,948	5,460,983,956	54,097	5.80%
2016	100,631	5,633,323,380	55,980	5.00%
2017	100,605	4,169,171,805	41,441	4.60%
2018	100,287	4,299,203,403	42,869	4.10%
2019	99,758	N/A	N/A	3.60%
2020	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A

Source:

^a Population information provided by US Bureau of Census, Population Division - Estimates

^b Personal income has been estimated based upon the municipal population and per capita personal income presented.

^c Per Capita Data represents County of Middlesex available through 2018

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

N/A - At the time of ACFR completion, data was not yet available

OPERATING INFORMATION

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

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FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
Unaudited

Function/Program	FISCAL YEAR ENDING JUNE 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instruction:										
Teachers	888	890	918	921	921	926	946	965	969	969
Special Education	224	225	214	213	211	213	219	219	215	215
Other Special Education	28	28	27	26	25	24	24	24	26	26
Classroom Aides	138	138	147	145	146	150	153	158	158	158
Other Instruction	14	14	11	11	14	14	16	17	15	15
Support Services:										
Student and Instruction Related Services	166	167	167	172	176	178	181	182	191	191
General Administration Services	10	10	10	9	9	9	9	11	11	11
School Administrative Services	80	80	83	85	85	84	93	93	94	94
Other Administrative Services	18	17	17	16	16	17	19	19	19	19
Administrative Information Technology	10	11	12	15	15	13	13	14	15	15
Plant Operations and Maintenance	138	143	140	142	141	141	157	177	180	180
Pupil Transportation	43	44	52	52	52	46	42	46	46	46
Other Support Services	2	2	2	2	2	2	2	2	2	2
Special Schools										
Food Service										
Child Care										
Total	1,759	1,769	1,800	1,809	1,813	1,817	1,874	1,927	1,941	1,941

Source: District Personnel Records

**OPERATING STATISTICS
LAST TEN FISCAL YEARS**
Unaudited

School Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary School	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^d	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
2013	14,475	226,760,365.00	15,666.00	7.28%	1,154	24:1	26:1	26:1	13,844.0	14,367.0	1.06%	96.36%
2014	14,878	226,252,392.00	15,207.00	1.18%	1,157	25:1	26:1	26:1	13,984.0	14,497.0	0.90%	96.46%
2015	15,168	258,266,112.00	17,027.00	8.69%	1,170	25:1	26:1	26:1	14,162.0	14,697.0	1.38%	96.36%
2016	15,479	241,561,310.00	15,606.00	2.62%	1,171	26:1	26:1	27:1	14,553.0	15,096.0	2.71%	96.40%
2017	15,550	251,367,899.00	16,165.00	-5.06%	1,171	27:1	26:1	27:1	14,941.0	15,532.0	2.89%	96.19%
2018	16,152	264,387,167.00	16,369.00	4.89%	1,177	27:1	27:1	28:1	15,415.0	16,081.0	3.53%	95.86%
2019	16,475	276,760,143.00	16,799.00	3.92%	1,205	27:1	28:1	29:1	15,695.0	16,344.0	1.64%	96.03%
2020	16,687	285,584,049.00	17,114.00	4.55%	1,225	27:1	29:1	29:1	16,022.0	16,490.0	0.89%	97.16%
2021	16,893	259,396,062.00	15,355.00	-8.59%	1,225	27:1	29:1	29:1	15,948.0	16,333.0	-0.95%	97.64%
2022	16,234	255,540,178.61	15,355.00	-8.59%	1,225	27:1	29:1	29:1	15,948.0	16,333.0	-0.95%	97.64%

Note: Enrollment based on annual October District count.

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

b Teaching staff includes only full-time equivalents of certificated staff.

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

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited

District/Building	FISCAL YEAR ENDING JUNE 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Elementary Schools:										
Benjamin Franklin (1960, 1965, 1990, 2003)										
Square Feet	52,696	52,696	52,696	52,696	52,696	52,696	52,696	52,696	52,696	52,696
Capacity (Students)	580	580	580	580	580	580	580	580	580	580
Enrollment	598	609	606	632	592	618	592	576	601	601
Early Learning Center (2004)										
Square Feet	7,297	7,297	7,297	7,297	7,297	7,297	7,297	7,297	7,297	7,297
Capacity (Students)	100	100	100	100	100	100	100	100	100	100
Enrollment	91	75	95	95	97	99	103	98	67	67
Franklin D. Roosevelt (1968)										
Square Feet	17,712	17,712	17,712	17,712	17,712	17,712	17,712	28,252	28,252	28,252
Capacity (Students)	150	150	150	150	150	150	150	280	280	280
Enrollment	103	114	130	133	163	160	136	193	144	144
James Madison Intermediate (1959, 1968)										
Square Feet	42,768	42,768	42,768	42,768	42,768	42,768	42,768	42,768	42,768	42,768
Capacity (Students)	540	540	540	540	540	540	540	540	540	540
Enrollment	605	643	596	621	636	685	687	674	647	647
James Madison Primary (1971, 1998, 2003)										
Square Feet	46,294	46,294	46,294	46,294	46,294	46,294	46,294	46,294	46,294	46,294
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	522	516	581	581	568	620	557	540	489	489
James Monroe (2017)										
Square Feet	41,100	41,100	92,560	92,560	67,775	67,775	67,775	67,775	67,775	67,775
Capacity (Students)	400	400	850	850	675	675	675	675	675	675
Enrollment	468	481	438	445	474	502	512	517	531	531
John Marshall (1961, 1990, 2003, 2007)										
Square Feet	62,517	62,517	62,517	62,517	62,517	62,517	62,517	62,517	62,517	62,517
Capacity (Students)	690	690	690	690	690	690	690	690	690	690
Enrollment	602	577	613	705	783	811	813	800	746	746
Lincoln (1951, 1956, 1962, 1972, 2003)										
Square Feet	55,315	55,315	55,315	55,315	55,315	55,315	55,315	55,315	55,315	55,315
Capacity (Students)	680	680	680	680	680	680	680	680	680	680
Enrollment	701	720	703	741	758	822	898	895	921	921

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
 Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Lindeneau (1966, 1968, 2000, 2003, 2004)										
Square Feet	43,219	43,219	43,219	43,219	43,219	43,219	43,219	43,219	43,219	43,219
Capacity (Students)	450	450	450	450	450	450	450	450	450	450
Enrollment	447	446	418	442	443	468	437	442	455	455
Martin Luther King (1970, 1991, 2000)										
Square Feet	54,136	54,136	54,136	54,136	54,136	54,136	54,136	54,136	54,136	54,136
Capacity (Students)	620	620	620	620	620	620	620	620	620	620
Enrollment	586	609	640	666	704	707	698	682	699	699
Menlo Park (1962, 1965, 1991, 2003, 2016)										
Square Feet	54,601	54,601	54,601	54,601	73,836	73,836	73,836	73,836	73,836	73,836
Capacity (Students)	720	720	720	720	920	920	920	920	920	920
Enrollment	800	832	819	848	878	877	864	866	849	849
Washington (1952, 1958, 1972, 2003)										
Square Feet	56,410	56,410	56,410	56,410	56,410	56,410	56,410	56,410	56,410	56,410
Capacity (Students)	680	680	680	680	680	680	680	680	680	680
Enrollment	574	566	599	580	602	610	583	605	588	588
Woodbrook (1965, 1969, 2000, 2003, 2017)										
Square Feet	57,204	57,204	57,204	57,204	57,204	85,954	85,954	85,954	85,954	85,954
Capacity (Students)	700	700	700	700	700	1,020	1,020	1,020	1,020	1,020
Enrollment	915	921	1,004	974	999	981	973	968	989	989
Middle Schools:										
Herbert Hoover (1967, 2000, 2007)										
Square Feet	132,625	132,625	132,625	132,625	132,625	132,625	132,625	132,625	132,625	132,625
Capacity (Students)	980	980	980	980	980	980	980	980	980	980
Enrollment	824	834	931	817	808	818	924	947	974	974
John Adams (1960, 2003)										
Square Feet	95,740	95,740	95,740	95,740	95,740	95,740	95,740	95,740	95,740	95,740
Capacity (Students)	920	920	920	920	920	920	920	920	920	920
Enrollment	843	833	887	913	953	969	959	972	988	988
Thomas Jefferson (1959, 1968, 2003)										
Square Feet	80,366	80,366	80,366	80,366	80,366	80,366	80,366	80,366	80,366	80,366
Capacity (Students)	770	770	770	770	770	770	770	770	770	770
Enrollment	730	692	740	743	744	727	794	818	855	855
Woodrow Wilson (1973, 2000)										
Square Feet	102,781	102,781	102,781	102,781	102,781	102,781	102,781	113,181	113,181	113,181
Capacity (Students)	900	900	900	900	900	900	900	1,150	1,150	1,150
Enrollment	922	977	1,007	1,061	1,138	1,208	1,275	1,275	1,208	1,208

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
High Schools:										
Edison (1954, 1992, 1986, 2000, 2013)										
Square Feet	233,811	250,291	250,291	250,291	250,291	250,291	250,291	250,291	250,291	250,291
Capacity (Students)	1,184	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024
Enrollment	1,960	1,924	1,885	1,932	1,949	1,973	2,018	2,068	2,090	2,090
J.P. Stevens (1962, 1967, 1979, 1990, 2000, 2003, 2010)										
Square Feet	219,582	220,287	220,287	220,287	220,287	220,287	220,287	220,287	220,287	220,287
Capacity (Students)	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160
Enrollment	2,151	2,111	2,173	2,248	2,344	2,495	2,522	2,602	2,653	2,653
Other:										
Education Center (1962)										
Square Feet	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Grounds (1999)										
Square Feet	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000

Number of Schools at June 30, 2022
 Elementary Schools = 13
 Middle Schools = 4
 High Schools = 2
 Other = 2

Source: District Records

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

SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

School Number	School Facilities	FISCAL YEAR ENDING JUNE 30,									
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
100	Lincoln Elementary	\$239,142	\$134,372	\$ 98,251	\$ 196,003	\$ 253,904	\$ 203,310	\$ 219,865	\$ 361,934	\$ 156,401	\$ 156,401
150	Washington Elementary	125,934	132,558	101,793	200,719	160,922	156,221	233,951	158,460	158,331	158,331
090	Madison Intermediate	84,049	102,501	192,190	176,118	124,254	78,071	105,016	165,545	127,460	127,460
065	Ben Franklin Elementary	167,569	145,435	132,406	131,092	154,953	145,388	97,977	214,626	165,822	165,822
095	Marshall Elementary	146,644	130,178	165,704	175,462	177,314	213,670	153,593	216,024	131,667	131,667
105	Menlo Park Elementary	153,343	127,875	106,952	171,145	222,693	210,786	154,599	133,381	133,033	133,033
093	Monroe Elementary	106,875	114,622	231,178	104,149	304,866	123,753	114,874	136,867	129,256	129,256
103	Lindeneau Elementary	112,568	104,083	109,552	251,718	189,184	153,619	165,278	90,062	114,441	114,441
160	Woodbrook Elementary	139,952	206,588	117,833	135,786	120,890	240,777	242,211	148,208	243,786	243,786
104	M.L. King Elementary	123,710	106,855	139,503	121,021	117,481	131,292	167,568	117,941	148,804	148,804
092	Madison Primary	97,589	94,892	115,237	181,239	95,172	124,292	70,821	67,406	96,062	96,062
057	Herbert Hoover Middle	225,318	240,650	268,896	320,798	243,692	263,893	204,893	378,181	404,685	104,605
055	John Adams Middle	230,335	196,399	225,450	304,218	248,424	276,674	233,180	407,551	320,929	320,929
060	Thomas Jefferson Middle	230,650	221,590	309,931	231,302	189,107	253,172	233,945	297,289	172,844	172,844
063	Woodrow Wilson Middle	219,479	229,233	252,734	222,897	297,551	241,927	259,073	307,777	511,783	111,783
050	Edison High	506,930	650,316	1,001,872	797,927	732,339	590,343	598,091	858,796	882,207	135,800
053	J.P. Stevens High	580,603	644,393	579,724	856,039	539,938	523,771	460,043	776,191	635,842	131,825
300	Early Learning Center	16,866	20,490	23,135	80,175	31,441	57,333	19,500	37,408	77,649	77,649
302	F.D. Roosevelt	30,140	25,860	24,630	139,539	24,910	30,157	42,999	94,540	69,270	69,270
GRAND TOTAL		\$ 3,537,696	\$ 3,628,890	\$ 4,196,971	\$ 4,797,347	\$ 4,229,035	\$ 4,018,449	\$ 3,777,477	\$ 4,968,187	\$ 4,680,272	\$ 2,729,768

Source: District Records

INSURANCE SCHEDULE
JUNE 30, 2022
Unaudited

Company	Type of Coverage	Premium	Coverage	Deductible
SCHOOL PACKAGE POLICY				
New Jersey School Insurance Group	Pool Property Limit		\$ 500,000,000	
	Buildings & Contents		422,062,630	\$ 5,000
	General Liability Limit		21,000,000	N/A
	Automobile Liability Limit		21,000,000	
	Automobile Physical Damage		ACV	1,000
	School Board Legal Liability		21,000,000	5,000
	Environmental		1,000,000	50,000
	Crisis Management & Beazley Breach Response Services		3,000,000	Varies
	Extra Expense		50,000,000	5,000
	Valuable Papers		10,000,000	5,000
	Loss of Rents		Not Quoted	Not Quoted
	Business Income/Tuition		200,000	5,000
	Limited Builders Risk		10,000,000	5,000
	EDP		2,000,000	1,000
	Equipment Breakdown		100,000,000	25,000
	Faithful Performance		500,000	1,000
	Forgery & Alteration		50,000	1,000
	Money & Securities		50,000	1,000
	Money Orders/Counterfeit		10,000	500
	Computer Fraud		50,000	1,000
	Statutory Bonds			
	Business Administrator		850,000	1,000
	Assistant Business Administrator/Treasurer		850,000	1,000
	Workers Compensation, Part I		Statutory	N/A
	Workers Compensation, Part II - Employer's Liability		3,000,000	N/A
	Workers Compensation Supplemental		included	7 Day Waiting Period
ERIC North	Professional Payroll		146,612,345	N/A
	Non-Professional Payroll		11,318,777	N/A
Berkley A&S	Student Accident Insurance			

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SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

**INDEPENDENT AUDITOR'S 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**

Honorable President and Members
of the Board of Education
Township of Edison School District
County of Middlesex
Edison, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Edison Township School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated April 17, 2023.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding No.'s 2022-001 through 2022-006 that we consider to be material weaknesses.

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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which are described in the accompanying statement of findings and questioned costs as Finding No.'s 2022-001 through 2022-006.

School District's Response to Findings

The Township of Edison School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Lakewood, New Jersey
April 17, 2023



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Township of Edison School District
County of Middlesex
Edison, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Edison Township School District's compliance with types of compliance requirements identified as subject to audit 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 School District's major federal and state programs for the fiscal year ended June 30, 2022. The Edison Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Edison Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 Edison Township School 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 School District's compliance with the compliance requirements referred to above.

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 of grant agreements applicable to the Edison Township School District's federal and state programs.

Auditor's 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 Edison Township School 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 generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the

- 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 School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School 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 OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the School 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as Finding No.s' 2022-001 and 2022-006. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform procedures on the School District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 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 program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding No.'s 2022-001 and 2022-006 to be material weaknesses.

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey

April 17, 2023

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TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE 6/30/2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE JUNE 30, 2022	
												(ACCOMPLISHMENTS RECEIVABLE)	(DUE TO GRANTOR)
93.778	2105N5MAP	10040544-5406-211	\$ 194,697.95	7/1/21-6/30/22	\$ -	\$ -	\$ 194,697.95	\$ (194,697.95)	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Department of Health and Human Services													
Passed Through New Jersey Department of Human Services:													
Medicaid Cluster:													
Medicaid Assistance Program (SEMI)													
Total Medicaid Cluster													
Total U.S. Department of Health and Human Services													
U.S. Department of Agriculture													
Passed Through New Jersey Department of Agriculture:													
Child Nutrition Cluster:													
Food Distribution Program - Non-Cash Award/Program													
10.555	221N304N1099	Unavailable	483,877.00	7/1/21-6/30/22	30,089.00	(237,547.00)	465,920.00	(483,877.00)	-	-	12,132.00	-	-
10.555	221N304N1099	100401033504028	7,066,686.76	7/1/21-6/30/22	(237,547.00)	237,547.00	6,788,325.99	(7,066,686.76)	-	-	-	(517,907.77)	-
10.555	221N304N1099	100401033504028	1,525,135.00	7/1/21-6/30/22	(237,547.00)	237,547.00	1,287,588.00	(1,525,135.00)	-	-	-	(237,547.00)	-
10.553	221N304N1099	100401033504028	1,870,493.27	7/1/21-6/30/22	(128,142.00)	1,854,508.21	(1,870,493.27)	-	-	-	-	(144,127.06)	-
10.553	221N304N1099	100401033504028	841,641.00	7/1/21-6/30/22	(128,142.00)	128,142.00	360,095.76	(841,641.00)	-	-	-	-	-
10.555	22212H170341	100401033504025	2,060,957.6	7/1/21-6/30/22	(335,600.00)	-	9,368,849.96	(9,653,152.79)	-	-	12,132.00	(662,034.83)	-
Total Child Nutrition Cluster:													
10.649	202225900941	100401033504115	61,988.00	7/1/21-6/30/22	(335,600.00)	-	61,988.00	(61,988.00)	-	-	-	-	-
Total U.S. Department of Agriculture													
U.S. Department of Education													
Passed Through New Jersey Department of Education:													
Title I													
84.010	S010A210030	10040345064-194	1,617,189.00	7/1/21-6/30/22	(456,104.00)	-	341,806.00	(1,417,637.36)	-	-	-	(1,075,831.36)	-
84.010	S010A210030	10040345064-194	1,800,778.00	7/1/21-6/30/22	(8,829.00)	-	456,104.00	(1,818,048)	-	-	-	(9,282.00)	-
84.010	S010A210030	10040345064-194	10,000.00	7/1/21-6/30/22	(665,933.00)	-	397,910.00	(1,429,467.84)	-	-	-	(1,097,490.84)	-
Title II, Part A - Teacher/Principal Training													
84.367A	S367A210029	10040345063-290	312,822.00	7/1/21-6/30/22	(244,681.00)	-	242,671.00	(253,863.40)	-	-	-	(253,863.40)	-
84.367A	S367A200029	10040345063-290	369,812.00	7/1/21-6/30/22	(244,681.00)	-	242,671.00	(253,863.40)	-	-	-	(253,863.40)	-
Title III - Language Instruction													
84.365	S365A210030	10040345064-187	124,469.00	7/1/21-6/30/22	(28,859.00)	-	53,554.27	(53,554.27)	-	-	-	-	-
84.365	S365A200030	10040345064-187	143,846.00	7/1/21-6/30/22	(28,859.00)	-	28,859.00	-	-	-	-	-	-
84.365	S365A180030	10040345064-187	9,263.10	7/1/18-6/30/19	37,631.00	-	-	37,631.00	-	-	37,631.00	-	-
84.365	S365A210030	10040345064-187	2,753,938.6	7/1/21-6/30/22	(175,934.00)	-	67,655.73	(273,593.86)	-	-	-	(273,593.86)	-
84.365	S365A200030	10040345064-187	21,510.00	7/1/21-6/30/22	(167,162.00)	-	150,069.00	(80,914.13)	-	-	37,631.00	(135,638.13)	-
Title IV, Part A - Student Support and Academic Enrichment													
84.424	S424A210031	10040345063-348	117,969.00	7/1/21-6/30/22	(116,784.00)	-	116,784.00	(54,939.34)	-	-	-	(54,939.34)	-
84.424	S424A200031	10040345063-348	151,019.00	7/1/21-6/30/22	(116,784.00)	-	116,784.00	(54,939.34)	-	-	-	(54,939.34)	-
Special Education Cluster:													
84.027X	H027X210100	10040345064-094	830,497.00	7/1/21-9/30/22	-	-	-	(541,190.65)	-	-	-	(541,190.65)	-
84.027A	H027A210100	10040345065-016	3,825,526.00	7/1/21-6/30/22	(924,542.00)	-	104,268.00	(4,111,622.63)	-	-	-	(4,007,354.63)	-
84.027A	H027A180100	10040345065-016	4,349,073.00	7/1/20-6/30/21	23,549.00	-	924,542.00	-	-	-	-	-	-
84.173	H173A220114	10040345065-020	121,200.00	7/1/21-6/30/22	(100,661.00)	-	6,000.00	(126,590.35)	-	-	23,549.00	(120,590.35)	-
84.173	H173A210114	10040345065-020	120,135.00	7/1/20-6/30/21	(100,661.00)	-	100,661.00	-	-	-	-	-	-
84.173	H173A180114	10040345065-020	240,216.00	7/1/18-6/30/19	(1,060,078.00)	-	1,135,471.00	(4,779,403.63)	-	-	1,576.00	(4,669,135.63)	-
Total Special Education Cluster													
84.938	S938C17005	Not Available	45,375.00	7/1/17-6/30/18	(45,375.00)	-	-	-	-	-	-	(45,375.00)	-
Temporary/Emergency Impact Aid for Displaced Students													
CARES Act:													
84.425D	S425D220027	10040345120-517	1,222,281.00	3/13/2019-3/02/22	(106,610.00)	-	106,610.00	(598.03)	-	-	-	(598.03)	-
84.425D	S425D210027	10040345120-517	1,222,281.00	3/13/2019-3/02/22	(106,610.00)	-	106,610.00	(598.03)	-	-	-	(598.03)	-
Education Stabilization Fund:													
84.425D	S425D220027	10040345120-518	4,367,550.00	3/13/2019-3/02/22	(315,751.00)	-	(3,919,356.82)	-	-	-	-	(3,919,356.82)	-
84.425D	S425D210027	10040345120-518	4,367,550.00	3/13/2019-3/02/22	(315,751.00)	-	(3,919,356.82)	-	-	-	-	(3,919,356.82)	-
84.425D	S425D210027	10040345120-518	280,237.00	3/13/2019-3/02/22	(2,417.00)	-	(185,500.11)	-	-	-	-	(185,500.11)	-
84.425U	S425D220027	10040345120-518	9,815,787.00	3/13/2019-3/02/22	(318,108.00)	-	(4,507,614.38)	-	-	-	-	(4,507,614.38)	-
Coronavirus Relief Fund (CRF):													
21.019	N/A	10040345120-517	832,483.00	3/1/20-12/30/20	27,571.00	-	-	-	-	-	27,571.00	-	-
21.019	N/A	10040345120-515	87,612.00	3/1/20-12/30/20	147.00	-	-	-	-	-	147.00	-	-
Total U.S. Department of Education													
Total Expenditures of Federal Awards													
\$ (2,772,673.00) \$ 12,119,240.91 \$ (20,990,849.49) \$ - \$ 102,606.00 \$ (11,746,867.58) \$ -													

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistances are an integral part of this schedule.

TOWNSHIP OF EDMONSON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

GRANT OR PROJECT NUMBER	STATE GRANT/PROGRAM TITLE	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CARRYOVER (AVAILABLE) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT PRIOR YEARS BALANCES	ADJUSTMENT	UNEARNED REVENUE	BALANCE JUNE 30, 2022		MEMO
												ACCOUNTS RECEIVABLE	DUPLICATE TOTAL EXPENDITURES	
495-034-5120-089	State Aid Public	\$ 8,719,977.00	7/1/21-6/30/22	\$ -	\$ -	\$ 8,719,977.00	\$ (8,719,977.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,719,977.00
495-034-5120-078	State Aid Public	21,076,504.00	7/1/21-6/30/22	-	-	21,076,504.00	(21,076,504.00)	-	-	-	-	-	-	21,076,504.00
495-034-5120-084	State Aid Public	1,078,233.00	7/1/21-6/30/22	-	-	1,078,233.00	(1,078,233.00)	-	-	-	-	-	-	1,078,233.00
	Total State Aid Public					30,874,714.00	(30,874,714.00)							30,874,714.00
495-034-5120-014	Categorical Transportation Aid	4,964,654.00	7/1/21-6/30/22	-	-	4,964,654.00	(4,964,654.00)	-	-	-	-	-	-	4,964,654.00
495-034-5120-014	Extracurricular Aid	3,872,930.00	7/1/21-6/30/22	-	-	3,872,930.00	(3,872,930.00)	-	-	-	-	-	-	3,872,930.00
495-034-5120-044	Non-Public Transportation Aid	4,718,669.00	7/1/21-6/30/22	(4,718,669.00)	-	4,718,669.00	(4,718,669.00)	-	-	-	-	-	-	4,718,669.00
495-034-5094-078	Non-Public Transportation Aid	238,230.00	7/1/21-6/30/22	-	-	-	(238,230.00)	-	-	-	-	-	-	238,230.00
495-034-5094-078	Non-Public Transportation Aid	210,250.00	7/1/21-6/30/22	(210,250.00)	-	-	-	-	-	-	-	-	-	-
495-034-5120-005	Homeless Children Aid	354,838.00	7/1/21-6/30/22	-	-	354,838.00	(354,838.00)	-	-	-	-	-	-	354,838.00
495-034-5094-003	T.P.A.F. Social Security Aid	9,070,895.67	7/1/21-6/30/22	-	-	9,070,895.67	(9,070,895.67)	-	-	-	-	-	-	9,070,895.67
495-034-5094-003	T.P.A.F. Social Security Aid	8,864,695.00	7/1/21-6/30/22	-	-	8,864,695.00	(8,864,695.00)	-	-	-	-	-	-	8,864,695.00
495-034-5094-003	T.P.A.F. Social Security Aid	10,613,386.00	7/1/21-6/30/22	-	-	10,613,386.00	(10,613,386.00)	-	-	-	-	-	-	10,613,386.00
495-034-5094-002	On-Behalf T.P.A.F. Pension Retirement Medical Insurance	45,426,155.00	7/1/21-6/30/22	-	-	45,426,155.00	(45,426,155.00)	-	-	-	-	-	-	45,426,155.00
495-034-5094-004	On-Behalf T.P.A.F. Non-Cont. Insurance	12,528.00	7/1/21-6/30/22	-	-	12,528.00	(12,528.00)	-	-	-	-	-	-	12,528.00
	Total General Fund			(5,372,306.00)		106,300,176.14	(105,418,348.67)			(4,400,478.53)			3,514,268.00	105,418,348.67
	Special Revenue Fund:													
100-034-5120-064	Textbooks	107,434.00	7/1/21-6/30/22	-	-	107,434.00	(98,438.00)	-	-	-	-	-	8,996.00	98,438.00
100-034-5120-064	Textbooks	123,034.00	7/1/21-6/30/22	5,062.00	-	-	-	(5,062.00)	-	-	-	-	-	118,972.00
100-034-5120-070	Nursing Services	200,480.00	7/1/21-6/30/22	21,486.00	-	-	(187,617.00)	-	-	-	-	-	12,863.00	187,617.00
100-034-5120-070	Nursing Services	205,428.00	7/1/21-6/30/22	-	-	-	(21,486.00)	-	-	-	-	-	-	183,942.00
100-034-5120-373	Technology Initiative	75,180.00	7/1/21-6/30/22	-	-	75,180.00	(75,266.00)	-	-	-	-	-	1,914.00	73,266.00
100-034-5120-373	Technology Initiative	1,349,600.00	7/1/21-6/30/22	-	-	1,349,600.00	(1,349,600.00)	-	-	-	-	-	-	1,349,600.00
100-034-5120-589	Security Aid	352,450.00	7/1/21-6/30/22	27,165.00	-	-	(23,687.00)	-	-	-	-	-	7,741.30	23,687.00
100-034-5120-067	Auxiliary Services Aid (Chapter 192): Compensatory Education	121,560.00	7/1/21-6/30/22	-	-	121,560.00	(109,685.00)	-	-	-	-	-	11,875.00	109,685.00
100-034-5120-067	Compensatory Education	106,251.00	7/1/21-6/30/22	55,738.00	-	-	(8,678.00)	-	-	-	-	-	-	8,678.00
100-034-5120-067	English as a Second Language	8,678.00	7/1/21-6/30/22	-	-	8,678.00	(8,678.00)	-	-	-	-	-	-	8,678.00
100-034-5120-067	English as a Second Language	23,120.00	7/1/21-6/30/22	888.00	-	-	(23,120.00)	-	-	-	-	-	-	23,120.00
100-034-5120-067	Home Instruction	6,151.00	7/1/21-6/30/22	-	-	6,151.00	(6,151.00)	-	-	-	-	-	-	6,151.00
100-034-5120-066	Handicapped Services (Chapter 193): Examination and Classification	123,978.00	7/1/21-6/30/22	-	-	123,978.00	(123,978.00)	-	-	-	-	-	-	123,978.00
100-034-5120-066	Examination and Classification	123,558.00	7/1/21-6/30/22	6,704.00	-	-	(6,704.00)	-	-	-	-	-	-	116,854.00
100-034-5120-066	Corrective Speech	4,840.00	7/1/21-6/30/22	-	-	4,840.00	(4,840.00)	-	-	-	-	-	-	4,840.00
100-034-5120-066	Supplemental Instruction	57,441.00	7/1/21-6/30/22	25,519.00	-	-	(32,922.00)	-	-	-	-	-	-	24,519.00
100-034-5120-066	Supplemental Instruction	74,092.00	7/1/21-6/30/22	-	-	74,092.00	(73,597.00)	-	-	-	-	-	495.00	73,597.00
100-034-5120-066	Supplemental Instruction	108,470.00	7/1/21-6/30/22	48,568.00	-	-	(48,568.00)	-	-	-	-	-	-	59,902.00
	FCCLA Grant	158,900.00	7/1/21-6/30/22	-	-	158,900.00	(158,900.00)	-	-	-	-	-	-	158,900.00
	PHAHero Grant	158,490.00	7/1/21-6/30/22	-	-	158,490.00	(158,490.00)	-	-	-	-	-	-	158,490.00
	Total Special Revenue Fund			141,021.00		1,441,242.06	(1,143,252.37)		(191,130.00)		(50,109.00)		128,037.31	1,143,252.37
	New Jersey Department of Agriculture:													
100-0103-550-023	Enterprise Fund: National School Lunch Program	166,251.44	7/1/21-6/30/22	-	-	166,251.44	(162,251.91)	-	-	-	-	-	-	4,000.53
100-0103-550-023	Enterprise Fund: National School Lunch Program	90,952.00	7/1/21-6/30/22	(24,134.00)	-	-	-	-	-	-	-	-	(1,919.00)	66,818.00
	Total Enterprise Fund			(24,134.00)		174,466.94	(162,251.91)						(1,919.00)	66,818.00
	Total State Financial Assistance			(5,355,419.00)		107,615,885.14	(106,723,852.95)		(191,130.00)		(50,109.00)		3,654,224.31	106,723,852.95

State Financial Assistance Programs not Subject to Calculation for Major Program Determination:														
495-034-5094-001	Medical (Noncash Assistance)	\$ 10,613,385.00	7/1/21-6/30/22			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,613,385.00
495-034-5094-002	TPAF - Pension	45,426,155.00	7/1/21-6/30/22			45,426,155.00	(45,426,155.00)							45,426,155.00
495-034-5094-004	TPAF - Long-Term Disability Insurance (Noncash Assistance)	12,528.00	7/1/21-6/30/22			12,528.00	(12,528.00)							12,528.00
	Total State Financial Assistance Subject to Calculation for Major Program Determination					\$ (50,671,785.00)	\$ -							\$ (50,671,785.00)

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Township of Edison School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

TOWNSHIP OF EDISON SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022 (Continued)

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$1,150,234.00) for the general fund and \$0.00 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 194,697.95	\$ 104,268,114.67	\$ 104,462,812.62
Special Revenue Fund	11,106,800.75	1,143,252.37	12,250,053.12
Food Service Fund	9,689,350.79	162,251.91	9,851,602.70
Total Awards & Financial Assistance	<u>\$ 20,990,849.49</u>	<u>\$ 105,602,368.95</u>	<u>\$ 126,593,218.44</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Township of Edison School District had no loan balances outstanding at June 30, 2022.

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	<u> X </u> yes	<u> </u> no
2) Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	<u> X </u> yes	<u> </u> no
2) Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	<u> X </u> yes	<u> </u> no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D/84.425U	S425D210027/S425U 210027	CRRSA ESSER II/ American Rescue Plan
84.010	S010A220030	Title I- Part A/SIA
84.027A	H027A210100	I.D.E.A. Part B
84.027X	H027X210100	ARP - I.D.E.A. Part B
84.173A	H173A210114	I.D.E.A. Preschool

Dollar threshold used to determine Type A programs	\$	750,000.00
Auditee qualified as low-risk auditee?	<u> </u> yes	<u> X </u> no

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results (Continued)

State Financial Assistance

Dollar threshold used to determine Type A programs	\$	1,520,153.55
Auditee qualified as low-risk auditee?	_____ yes	_____ <input checked="" type="checkbox"/> no
Internal control over major programs:		
1) Material weakness(es) identified?	_____ <input checked="" type="checkbox"/> yes	_____ no
2) Significant deficiency(ies) identified?	_____ yes	_____ <input checked="" type="checkbox"/> none reported
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB Circular 15-08?	_____ <input checked="" type="checkbox"/> yes	_____ no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089	State Aid Public Cluser:
495-034-5120-078	Categorical Special Education Aid
495-034-5120-084	Equalization Aid
	Categorical Security Aid
495-034-5094-003	Reimbursed TPAF Social Security Contributions

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

Finding 2022-001*:

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-6.4 requires that the District's internal control policies promote operational efficiency and effectiveness, provide reliable financial information, safeguard assets and records, encourage adherence to prescribed policies and comply with laws and regulations.

Condition

During our audit we noted that the District is not maintaining a complete and accurate general ledger in accordance with accounting principles generally accepted in the United States of America

Context

Numerous entries were required to bring the District's general ledger into compliance at year-end including misposting of cash disbursements and cancellation of open purchase orders.

Cause

Lack of oversight over the financial reporting process

Effect or Potential Effect:

Failure to maintain a complete and accurate general ledger led to inaccurate financial reporting.

Recommendation

That the District implement internal controls to ensure that a complete and accurate general ledger is maintained and financial reports are reviewed regularly for accuracy.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

Finding 2022-002*:

Criteria or Specific Requirement:

As a function of effective internal controls, an accurate general ledger should be maintained and cash accounts should be reconciled in accordance with N.J.S.A. 18A:17-9.

Condition

During our testing it was noted the bank reconciliations were not accurately performed.

Context

Numerous adjustments were required to correct errors in the District's bank reconciliations, including disbursements made subsequent to year end posted to the current year and outstanding reconciling items that are more than a year old.

Cause

The District did not properly record activity and failed to monitor cash balances.

Effect or Potential Effect:

Misstatement of cash and potentially over-expending bank accounts.

Recommendation

That bank reconciliations be completed accurately and timely.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section II - Financial Statement Findings (continued)

Finding 2022-003:

Criteria or Specific Requirement:

For school districts, the *Schedule of Audited Enrollments* provides a summary of the results of the audit tested if the Application for State School Aid (ASSA) and the District Report of Transported Resident Students (DRTRS). It documents the information reported on the ASSA in comparison to the district workpapers which summarize the school register(s) and compares the information in the district workpapers to the underlying supporting data, quantifying any errors noted.

Condition

During our testing, the client could not provide a student listing in relation to their state submitted DRTRS report.

Context

Testing was not able to be properly conducted for DRTRS.

Cause

The District lacked proper transportation support.

Effect or Potential Effect:

Overstatement of State Aid received.

Recommendation

That a proper Transportation Student Listing be maintained by the District

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

Finding 2022-004:

Criteria or Specific Requirement:

Per Section II-CA.1 of the New Jersey School Board Audit Guide, the fixed asset ledger should be updated monthly for internal control purposes

Condition

During our testing, the client could not provide an up to date appraisal report to properly account for current year additions and deletions.

Context

Testing was not able to be properly conducted for Fixed Assets.

Cause

The District lacked a proper fixed asset ledger.

Effect or Potential Effect:

Misstatement of Fixed Assets.

Recommendation

Due to the size and nature of the District, an appraisal should be completed annually.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section II - Financial Statement Findings (continued)

Finding 2022-005:

Criteria or Specific Requirement:

In maintaining a sound internal control structure regarding year end close outs, encumbrances should be properly broken out from accounts payable.

Condition

The District did not properly break out any encumbrances during the school year. All encumbrances were included within accounts payable.

Context

For a budgetary basis of accounting, encumbrances must be segregated from accounts payable.

Cause

The District did not maintain track of encumbrances during the school year.

Effect or Potential Effect:

Misstatement of budgetary accounts.

Recommendation

That encumbrances are separated from accounts payable.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

Finding 2022-006:

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-16.10 says that "A school district board of education, charter school or renaissance school project board of trustees shall not incur any obligation or approve any payment in excess of the amount appropriated by the district board of education/board of trustees in the applicable line item account or program category account

Condition

The District over-expended certain line items in its budget.

Context

The District over-expended 1 line item by \$6,531,533.23

Cause

School District did not maintain a complete and accurate general ledger leading to over-expenditures to occur when year-end adjustments were made.

Effect or Potential Effect:

The District is not in compliance with State Aid Grant Program requirements.

Recommendation

That the District maintain and complete an accurate general ledger and review line items for potential over-expenditures and have budget transfers approved by the Board of Education prior to committing funds.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

Finding 2022-001*:

Information on the Federal Programs:

93.778- Medicaid Cluster; 10.553/10.555 - Child Nutrition Cluster; 10.649 - P-EBT Administrative Costs Grant; 84.010 - Title I; 84.367A - Title II; 84.365 - Title III; 84.424 - Title IV; 84.027X - COVID ARP IDEA; 84.027A - IDEA Part B; 84.173 - IDEA Pre-K; 84.938 - Temporary Emergency Impact Aid; 84.425D/84.425U - CRRSA/ARP; 21.019 - Corona Virus Relief Fund

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-6.4 requires that the District's internal control policies promote operational efficiency and effectiveness, provide reliable financial information, safeguard assets and records, encourage adherence to prescribed policies and comply with laws and regulations.

Condition

During our audit we noted that the District is not maintaining a complete and accurate general ledger in accordance with accounting principles generally accepted in the United States of America

Context

Numerous entries were required to bring the District's general ledger into compliance at year-end including misposting of cash disbursements and cancellation of open purchase orders.

Cause

Lack of oversight over the financial reporting process

Effect or Potential Effect:

Failure to maintain a complete and accurate general ledger led to inaccurate financial reporting.

Recommendation

That the District implement internal controls to ensure that a complete and accurate general ledger is maintained and financial reports are reviewed regularly for accuracy.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

STATE FINANCIAL ASSISTANCE

Finding 2022-001*:

Information on the State Programs

495-034-5120-089 - Categorical Special Education Aid; 495-034-5120-078 - Equalization Aid; 495-034-5120-084 - Categorical Security Aid; 495-034-5120-014 - Categorical Transportation Aid; 495-034-5120-044 - Extraordinary Aid; 495-034-5094-078 - Non-Public Transportation Aid; 495-034-5120-005 - Homeless Children Aid

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-6.4 requires that the District's internal control policies promote operational efficiency and effectiveness, provide reliable financial information, safeguard assets and records, encourage adherence to prescribed policies and comply with laws and regulations.

Condition

During our audit we noted that the District is not maintaining a complete and accurate general ledger in accordance with accounting principles generally accepted in the United States of America

Context

Numerous entries were required to bring the District's general ledger into compliance at year-end including misposting of cash disbursements and cancellation of open purchase orders.

Cause

Lack of oversight over the financial reporting process

Effect or Potential Effect:

Failure to maintain a complete and accurate general ledger led to inaccurate financial reporting.

Recommendation

That the District implement internal controls to ensure that a complete and accurate general ledger is maintained and financial reports are reviewed regularly for accuracy.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs (Continued)

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

STATE FINANCIAL ASSISTANCE (Continued)

Finding 2022-006:

Information on the State Programs

495-034-5120-089 - Categorical Special Education Aid; 495-034-5120-078 - Equalization Aid; 495-034-5120-084 - Categorical Security Aid; 495-034-5120-014 - Categorical Transportation Aid; 495-034-5120-044 - Extraordinary Aid; 495-034-5094-078 - Non-Public Transportation Aid; 495-034-5120-005 - Homeless Children Aid

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-16.10 says that "A school district board of education, charter school or renaissance school project board of trustees shall not incur any obligation or approve any payment in excess of the amount appropriated by the district board of education/board of trustees in the applicable line item account or program category account.

Condition

The District over-expended certain line items in its budget.

Context

The District over-expended 1 line item by \$6,531,533.23

Cause

School District did not maintain a complete and accurate general ledger leading to over-expenditures to occur when year-end adjustments were made.

Effect or Potential Effect:

The District is not in compliance with State Aid Grant Program requirements.

Recommendation

That the District maintain and complete an accurate general ledger and review line items for potential over-expenditures and have budget transfers approved by the Board of Education prior to committing funds.

View of Responsible Officials & Planned Corrective Actions

The District will address this finding in the Corrective Action Plan

**TOWNSHIP OF EDISON SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2022**

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

Financial Statement Findings

Finding 2021-001

Condition

Issued identified with respect to financial transactions' and the reporting of trial balances.

Current Status

This finding has not been corrected and is marked with an asterisk and repeated as Finding 2022-001.

Finding 2021-002

Condition

Bank reconciliations are not performed or monitored effectively on material bank accounts.

Current Status

This finding has not been corrected and is marked with an asterisk and repeated as Finding 2022-002.

Federal Awards

Finding 2021-005

Condition

During our testing, we noted District recommendations and approval of eligibility into the Title I-A program were not retained

Current Status

The finding has been corrected.

State Financial Assistance

Finding 2021-003

Condition

During our testing, we noted budget transfers that exceeded the 10% threshold, but were not approved by the County Superintendent.

Current Status

The finding has been corrected.

Finding 2021-004

Condition

During our audit, instances were noted where the District workpapers did not agree to the ASSA submission. The ASSA submission underclaimed two students for on roll, underclaimed 13 students for on roll low income and overclaimed one student for LEP not low income.

Current Status

The finding has been corrected.