

River Dell Regional School District

**River Dell Regional School District
Board of Education
River Edge, New Jersey**

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

Annual Comprehensive

Financial Report

of the

**River Dell Regional School District
Board of Education**

River Edge, New Jersey

For the Fiscal Year Ended June 30, 2022

Prepared by

**River Dell Regional School District
Board of Education
Business Department**

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INTRODUCTORY SECTION



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February 16, 2023

Honorable President and Members
of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

Dear Board Members:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the River Dell Regional School District (the "District" or "River Dell") for the fiscal year ended June 30, 2022. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the River Dell Regional School District with comprehensive financial data in a format enabling them to gain an understanding of the District's financial affairs.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Organizational Chart, a List of Principal Officials of the District, and a list of consultants and advisors to the District.
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Section includes selected financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the District, generally presented on a multi-year basis.
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey 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 independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, is included in the single audit section of this report.

School District Organization

The District provides education to 1,615 students (as of June 30, 2022) in grades seven through twelve. Geographically, the District is comprised of the Boroughs of River Edge and Oradell.

An elected nine-member Board of Education serves as the policy maker for the District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of District tax money.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Business Administrator/Board Secretary is the chief financial officer of the District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the District, acting as custodian of all District funds, and investing funds as permitted by New Jersey law.

Reporting Entity

The River Dell Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board's (GASB). All funds of the District are included in this report. The River Dell Regional School District Board of Education and its two schools constitute the District's reporting entity.

Economic Condition and Outlook

All new construction is closely monitored. The constituent communities continue to have small population growth. The two communities within the District have worked to build additional school facilities and have completed their respective referendums.

The District completed the 2021-2022 fiscal year with an enrollment of 1,615 students, which is 7 students less than the previous year's enrollment. The following details the changes in the student average daily enrollment of the District over the last five years.

AVERAGE DAILY ENROLLMENT

Fiscal Year	Student Enrollment	Percent change
2021 - 22	1,588.3	.22%
2020 - 21	1,584.8	-1.10%
2019 - 20	1,602.5	.70%
2018 - 19	1,591.3	-1.85%
2017 - 18	1,621.3	.26%

The District, along with many other public school systems in the State, still faces some difficult economic situations in the future since the primary funding source is property tax revenue. The Board voted to approve a 1.83% tax levy cap, which eliminated the vote on the 2022-23 budget. Overall, the total revenues increased by 3.67%, which includes the capital reserve used for the track, as well as the expenditures increased by the same amount. The District's administration is closely monitoring the cost of operations and continues to look for new funding sources in order to maintain the quality educational services that the District has been accustomed to providing.

The District's primary funding source is property tax revenue. The amount to be raised in taxes is determined by the School Board through the District's normal budgeting process. This process has always left the passage of adequate funding for the budget in doubt. On January 17, 2012, Governor Chris Christie signed into law A-4394/S-3148 (P.L. 2011, c.202), which gives local Boards of Education the option of changing the election date of school board members from April to November. As an incentive for Boards of Education to approve this money-saving idea, Districts do not have to put their budgets up for a vote by the electorate as long as it does not exceed the State mandated 2% Cap on property tax increases. The River Dell Board of Education adopted this change on January 23, 2012, and as result, the District's 2022-23 budget was adopted without voter approval.

The District attributes much of its past education success to the community's demand for, and support of, both a traditional and quality school system. The District will remain accountable to the residents and taxpayers who make the District their school system of choice.

Educational Program

The Mission Statement of the River Dell Regional School District is stated as follows:

1. To provide a safe, student-centered environment in which each student is valued and respected;
2. To challenge each student to reach his/her potential;
3. To nurture every student's intellectual, social, physical and emotional growth;
4. To promote a healthy work ethic, a passion for learning and a respect for one's self and others;
5. To develop responsible citizens for our diverse community and an ever-changing world;
6. To continue to involve our community in an active partnership;
7. To provide all students the opportunity to achieve and exceed the New Jersey Core Curriculum Content Standards.

The River Dell Regional School District offers College Preparatory, Honors and Advanced Placement courses. These include regular, gifted and talented, as well as special education for disabled students. Students are offered an extensive extracurricular and athletic program including opportunities for students to participate in student government, academic, service, National Honor Society, foreign language honor societies, drama, musical performances and female/male sport's teams.

Of the Class of 2022 student body, 95% are attending four-year colleges and 4% are attending two-year colleges, among them the most prestigious in the nation. The Middle States Association of College and Secondary Schools and the New Jersey Department of Education accredit River Dell. Parents, students, staff and administration all have a strong commitment to maintain high academic and ethical standards. River Dell has won several Best Practices awards from the New Jersey Department of Education, for our innovative programs including Gifted and Talented, Self-Advocacy for Special Students, Sweet Tooth Enterprises (Business), Junior MBA and Production Design. We are also a United States Department of Education Blue Ribbon School of Excellence.

River Dell offers its students a variety of rigorous academic courses, which stress writing, computer and research skills in all disciplines. Most of our students far exceed minimum graduation requirements. As previously noted, 99% of the Class of 2022 pursued higher education, with 95% of students attending a four-year college/university. Noteworthy programs/requirements include:

All students are required to take four years of English, which includes a choice of senior Language Arts courses. In addition, approximately 25% of seniors also take AP English or Syracuse University Project Advance English. Electives include Media/TV Production, which links English and Technology. In addition to required World Cultures and US History, social studies electives include Psychology, Sociology and European History. Our laboratory-based Chemistry, Physics and Biology are offered at levels ranging from College Prep to AP. Science electives include Forensic Science and Human Physiology. Mathematics courses range from Algebra I to AP Calculus. World languages are offered at various levels. Languages include Mandarin Chinese, Italian and Spanish. Each year students participate in a statewide Foreign Language Competition, sponsored by Rider University. The Related Arts Department has a wide selection of electives culminating in AP Studio Art, which requires a professional portfolio.

The District has highly competent teaching, supervisory and administrative staff with approximately 48% of our 174 certified staff (80% hold Masters Degrees) engaging in postgraduate studies beyond the masters level, while 3% hold earned doctoral degrees. This staff continues to refine its expertise and competency through ongoing staff development at local seminars, conferences and educational institutions.

Financial Information

Internal Accounting and Budgetary Control - Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

1. The cost of controls 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is also subject to periodic evaluation by the District's management.

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

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. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for 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 either are cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as committed or assigned fund balance at fiscal year-end.

Cash Management

The investment policy of the District is guided in large part by state statute as detailed in “Notes to Financial Statements”. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. 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.

Risk Management

The District 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 and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The audit firm of Smolin, Lupin & Co., LLC was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Uniform Guidance and New Jersey OMB’s Circular 15-08. The auditor’s report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

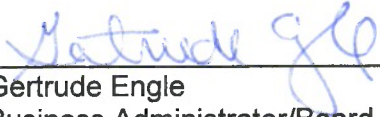
Acknowledgements

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

Respectfully submitted,

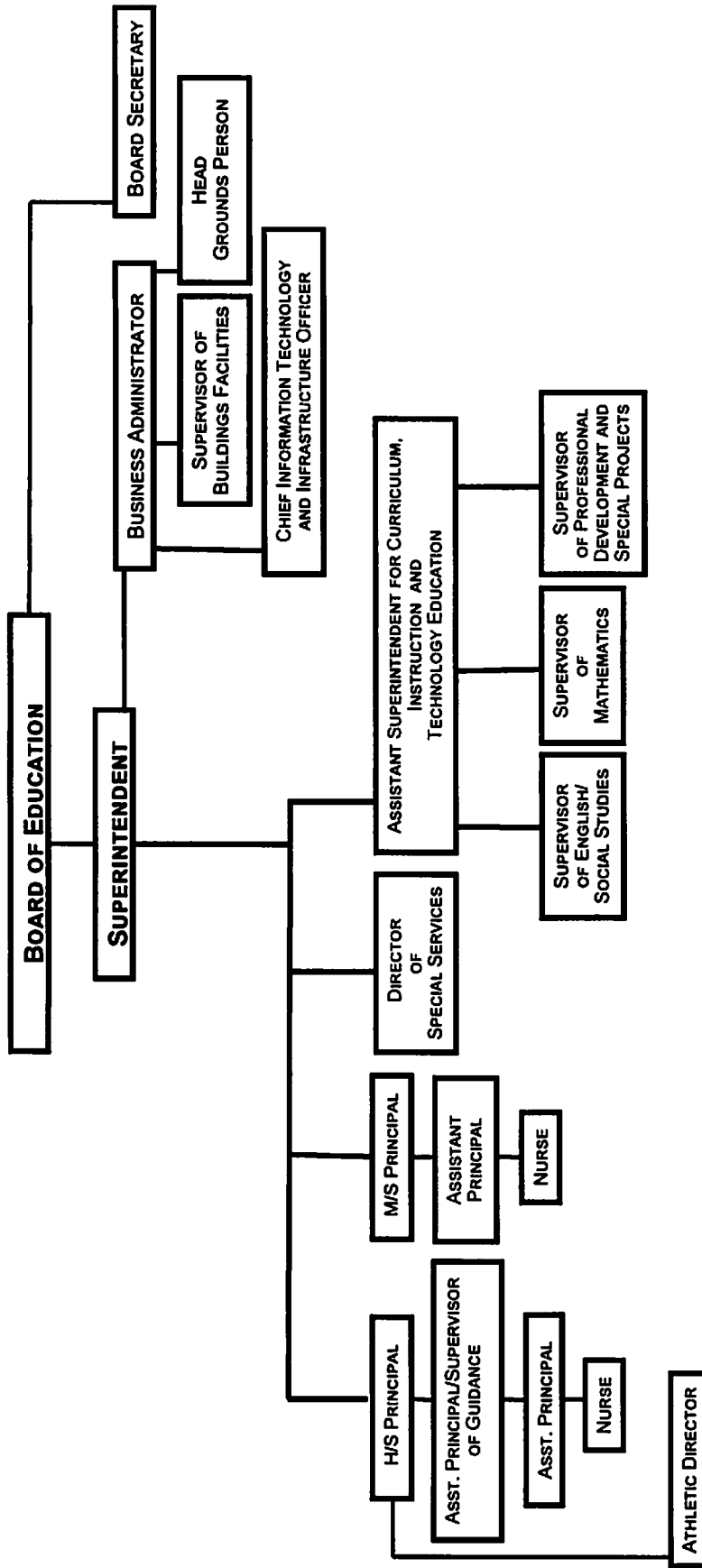


Patrick J. Fletcher
Superintendent of Schools



Gertrude Engle
Business Administrator/Board Secretary

LINE OF RESPONSIBILITY



Approved: November 26, 2007
 Revised: November 24, 2008, November 18, 2010, April 27, 2015, September 21, 2020, June 20, 2022

RIVER DELL REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2022

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Albert Graef, President (Oradell)

December 31, 2023

Stephanie Hartman, Vice President (River Edge)

December 31, 2022

Annette Farelli (River Edge)

December 31, 2024

Claudia O'Neill (River Edge)

December 31, 2024

John Samuel (Oradell)

December 31, 2024

Tracey-Ellen Ehalt (River Edge)

December 31, 2023

Douglas Kupfer (River Edge)

December 31, 2023

Alan Feigenson (Oradell)

December 31, 2022

Barbara Kuchar (Oradell)

December 31, 2022

OTHER OFFICIALS

Patrick J. Fletcher, Superintendent of Schools

Gertrude Engle, Business Administrator/Board Secretary

Irwin S. Cohen, Treasurer of School Moneys

Rodney T. Hara, Esq., Legal Counsel

RIVER DELL REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Smolin, Lupin & Co., LLC
165 Passaic Avenue
Fairfield, New Jersey 07004

Attorney

Fogarty & Hara
21-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

TD Bank
126 North Washington Avenue
Bergenfield, New Jersey 07621

FINANCIAL SECTION

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the River Dell Regional School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the River Dell Regional School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the River Dell Regional School District, as of June 30, 2022, and the respective changes in 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; 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. 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 River Dell Regional School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 1, the River Dell Regional School District adopted the provisions of GASB Statement No. 87, *Leases*, effective July 1, 2021. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the River Dell Regional 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 River Dell Regional 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 River Dell Regional 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, pension information, and other postemployment benefits information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, 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 River Dell Regional School District's basic financial statements. The accompanying combining and individual fund financial statements and schedules, long-term debt schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and schedule of expenditures of state financial assistance as required by 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 combining and individual fund financial statements and schedules, long-term debt schedules, schedule of expenditures of federal awards, and schedule of expenditures of 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 February 16, 2023, on our consideration of the River Dell Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the River Dell Regional School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the River Dell Regional School District's internal control over financial reporting and compliance.

Smolin, Lupin & Co., LLC

SMOLIN, LUPIN & CO., LLC
Certified Public Accountants

By: *Susan T. White*
Susan T. White
Licensed Public School Accountant
License #20CS00119300

Fairfield, New Jersey
February 16, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

The discussion and analysis of the River Dell Regional School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2022 are as follows:

- The District adopted GASB Statement No. 87 - Leases for the fiscal year ended June 30, 2022.
- In total, net position increased by \$2,161,915, which represents a 10.81% increase from fiscal year 2021.
- General revenues accounted for \$34,642,633 of revenue or 78.23% of the total revenues.
- Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$9,638,315 or 21.77% of total revenues of \$44,280,948.
- Total assets of governmental activities increased by \$1,450,231 as cash increased by \$840,084, receivables increased by \$76,715, and capital assets increased by \$533,432.
- The District had \$42,119,033 in expenses; only \$9,638,315 of these expenses was offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$34,642,633 were adequate to provide for these programs.
- Among governmental funds, the general fund had \$42,813,166 in revenues and \$42,131,608 in expenditures. The general fund's fund balance increased by \$681,558 over fiscal year 2021, now totaling \$5,195,632.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the River Dell Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at all the District's funds. In the case of the River Dell Regional School District, the general fund is by far the most significant fund.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2021-2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows and liabilities and deferred inflows using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors; some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the District is divided into two distinct kinds of activities:

- Governmental Activities - All of the District's programs and services are reported here including instruction, support services, operation, and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- Business-Type Activities - These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The food services enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the general fund, special revenue fund, capital projects fund, and debt service fund.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Governmental Funds

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

Proprietary Funds

The District maintains an enterprise fund, which is used to report the activity of the food service. The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the District's net position at June 30, 2022 and 2021. June 30, 2021 has not been restated for the adoption of GASB Statement No. 87.

**TABLE 1
NET POSITION**

	Governmental Activities		Business-type Activities		Total		Amount Change	% Change
	2022	2021	2022	2021	2022	2021		
Assets:								
Current and								
Other Assets	\$ 6,599,616	\$ 5,682,817	\$ 88,058	\$ 114,611	\$ 6,687,674	\$ 5,797,428	\$ 890,246	15.36%
Capital Assets	28,211,572	27,678,140	12,149	14,956	28,223,721	27,693,096	530,625	1.92%
Total Assets	34,811,188	33,360,957	100,207	129,567	34,911,395	33,490,524	1,420,871	4.24%
Deferred Outflows	638,390	1,112,281			638,390	1,112,281	(473,891)	-42.61%
Liabilities:								
Long-term								
Liabilities	8,711,853	10,525,314			8,711,853	10,525,314	(1,813,461)	-17.23%
Other Liabilities	1,545,047	1,331,388			1,545,047	1,331,388	213,659	16.05%
Total Liabilities	10,256,900	11,856,702			10,256,900	11,856,702	(1,599,802)	-13.49%
Deferred Inflows	3,098,727	2,739,345			3,098,727	2,739,345	359,382	13.12%
Net Position:								
Net Investment in								
Capital Assets	24,455,562	24,018,140	12,149	14,956	24,467,711	24,033,096	434,615	1.81%
Restricted	4,239,208	3,514,048			4,239,208	3,514,048	725,160	20.64%
Unrestricted (deficit)	(6,600,819)	(7,654,997)	62,573	114,611	(6,538,246)	(7,540,386)	1,002,140	-13.29%
Total Net Position	\$ 22,093,951	\$ 19,877,191	\$ 74,722	\$ 129,567	\$ 22,168,673	\$ 20,006,758	\$ 2,161,915	10.81%

The District's combined net position of \$22,168,673 on June 30, 2022, results in an increase of 10.81% from the prior year.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

The School District as a Whole (Continued)

Table 2 shows changes in net position for fiscal years 2022 and 2021. 2021 has not been restated for the adoption of GASB Statement No. 87.

**Table 2
Changes in Net Position**

	<u>2022</u>	<u>2021</u>	<u>Amount Change</u>	<u>% Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 742,651	\$ 348,569	\$ 394,082	113.06%
Operating Grants and Contributions	8,815,358	12,307,932	(3,492,574)	-28.38%
Capital Grants and Contributions	80,306	-	80,306	100.00%
General Revenues:				
Property Taxes	33,433,183	33,044,871	388,312	1.18%
Grants and Entitlements	1,186,329	858,269	328,060	38.22%
Other	23,121	45,615	(22,494)	-49.31%
Total Revenues	<u>44,280,948</u>	<u>46,605,256</u>	<u>(2,324,308)</u>	-4.99%
Program Expenses:				
Instruction	23,524,545	26,263,071	(2,738,526)	-10.43%
Support Services:				
Tuition	2,661,293	2,738,107	(76,814)	-2.81%
Students and Instructional Staff	6,038,140	6,334,377	(296,237)	-4.68%
General Administration, School Administration, Central Services, Information Technology and Maintenance of Facilities	6,886,123	7,233,950	(347,827)	-4.81%
Pupil Transportation	1,024,699	753,391	271,308	36.01%
Charter Schools	24,212	23,377	835	3.57%
Interest on Debt	138,227	146,142	(7,915)	-5.42%
Unallocated Depreciation and Amortization	1,348,179	1,422,223	(74,044)	-5.21%
Enterprise Fund	473,615	41,001	432,614	1055.13%
Total Expenses	<u>42,119,033</u>	<u>44,955,639</u>	<u>(2,836,606)</u>	-6.31%
Increase in Net Position	<u>\$ 2,161,915</u>	<u>\$ 1,649,617</u>	<u>\$ 512,298</u>	31.06%

Governmental Activities

The District's total governmental activities revenues were \$43,862,178 for the year ended June 30, 2022. Property taxes made up 76.22% of revenues for governmental activities for the River Dell Regional School District for fiscal year 2022. Federal and state grants accounted for another 22.99% of governmental activities revenues.

The total cost of all governmental activities programs and services was \$41,645,418. Instruction comprises 56.49% of District expenses.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services.

- Food service had an operating loss of \$54,948, which includes a loss reported by the management company, plus year-end depreciation, inventory, and other adjustments. The food services operations incurred additional costs due to COVID-19.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services 2022	Net Cost of Services 2022	Total Cost of Services 2021	Net Cost of Services 2021	Amount Change Total Cost of Services	Amount Change Net Cost of Services
Instruction	\$ 23,524,545	\$ 17,924,628	\$ 26,263,071	\$ 17,519,422	\$ (2,738,526)	\$ 405,206
Support Services:						
Tuition	2,661,293	2,252,528	2,738,107	2,621,837	(76,814)	(369,309)
Student and Instructional Staff	6,038,140	4,028,701	6,334,377	3,982,105	(296,237)	46,596
General Administration, School Administration, Central Services, Administrative Information Technology and Maintenance of Facilities	6,886,123	5,956,395	7,233,950	6,016,169	(347,827)	(59,774)
Pupil Transportation	1,024,699	752,900	753,391	527,618	271,308	225,282
Charter Schools	24,212	24,212	23,377	23,377	835	835
Interest on Debt	138,227	138,227	146,142	146,142	(7,915)	(7,915)
Unallocated Depreciation	1,348,179	1,348,179	1,422,223	1,422,223	(74,044)	(74,044)
Total Expenses	<u>\$ 41,645,418</u>	<u>\$ 32,425,770</u>	<u>\$ 44,914,638</u>	<u>\$ 32,258,893</u>	<u>\$ (3,269,220)</u>	<u>\$ 166,877</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Student and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, central services, and administrative information technology include expenses associated with administrative and financial supervision of the District.

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Governmental Activities (Continued)

Pupil transportation includes activities involved with the conveyance of students to and from school as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges on debt of the District.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund, and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$46,035,627 and expenditures were \$45,311,813. The net increase in fund balance for the year, \$723,814, was \$681,558 in the general fund and \$42,256 in the special revenue fund.

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 following table presents a summary of the revenues of the governmental funds for the general fund, special revenue fund, and debt service fund for the fiscal year ended June 30, 2022, and the amount and percentage of increases and decreases in relation to prior year revenues. There was no capital projects fund in the current or prior year.

<u>Revenue</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 2020-21</u>	<u>Percent Of Increase (Decrease)</u>
Local Sources	\$ 34,297,862	74.50%	\$ 638,182	1.90%
State Sources	10,876,552	23.63%	2,228,124	25.76%
Federal Sources	<u>861,213</u>	<u>1.87%</u>	<u>259,998</u>	43.25%
Total	<u>\$ 46,035,627</u>	<u>100.00%</u>	<u>\$ 3,126,304</u>	7.68%

The increase in revenue from local sources of \$638,182 is primarily due to an increase in local tax levy. The increase in local revenue was needed to fund the additional expenditures associated with higher operating costs and the slight increases in state aid without state aid on-behalf payments. Additionally, local sources include the revenue in the scholarship fund and student activity fund.

Revenues from state sources increased by \$2,228,124. On-Behalf TPAF pension contributions, post-retirement medical, long-term disability insurance, and reimbursed TPAF social security contributions increased by a total amount of \$1,900,527 (which is off-set by an equal increase in expenditures). The other state aid recorded in the general fund and special revenue fund increased by \$327,597, primarily from Special Education Categorical Aid and the new Equalization Aid.

Federal revenues increased by \$259,998, primarily from grants due to COVID-19.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

The School District's Funds (Continued)

The following table presents a summary of the general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2022, and the amount of increases and decreases in relation to prior year expenditures.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2020-21</u>	<u>Percent of Increase (Decrease)</u>
Current Expense:				
Instruction	\$ 16,135,315	35.61%	\$ 942,212	6.20%
Undistributed Expenditures	25,393,901	56.04%	1,957,220	8.35%
Capital Outlay	578,180	1.28%	400,911	226.16%
Charter Schools	24,212	0.05%	835	3.57%
Special Revenue	1,808,805	3.99%	526,271	41.03%
Debt Service	<u>1,371,400</u>	<u>3.03%</u>	<u>(54,200)</u>	<u>-3.80%</u>
Total	<u>\$ 45,311,813</u>	<u>100.00%</u>	<u>\$ 3,773,249</u>	<u>9.08%</u>

Changes in expenditures were the results of varying factors. The net increase in instruction and undistributed expenditures of \$2,899,432 is primarily the result of increases in supplies, special education costs, repairs, and transportation, in addition to the on-behalf TPAF pension contributions, post-retirement medical, long-term disability insurance, and reimbursed TPAF social security contributions which increased by a total amount of \$1,900,527, (which is off-set by an equal increase in revenues). Capital outlay increased \$400,911 in the current year as a result of new projects in the current year. Debt service decreased \$54,200 due to the change in current year principal and interest charges.

The \$526,271 increase in the special revenue fund expenditures is primarily due to a decrease in state funding of \$17,355, increase in Federal funding for COVID-19 in the amount of \$259,998, and the increase in the scholarship fund and student activity fund totaling \$283,628.

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

The District had numerous budget transfers during the 2021-2022 school year. Key highlights include:

- Regular Programs Instruction, Salaries of Teachers, Grades 9-12 - decreased \$218,779 as funds were used for special education teachers, net of salary increases for movement on the guide.
- Resource Room/Resource Center, Salaries of Teachers - increased \$284,875 for additional special education teachers and movement on the guide.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

General Fund Budgeting Highlights (Continued)

- Improvement of Instruction Services/Other Support Services, instructional Staff, Salaries of Supervisors of Instruction - increased \$344,385 due to changes in account codes due to job description changes from Instructional Staff Training Services, Salaries of Other Professional Staff.
- Instructional Staff Training Services, Salaries of Other Professional Staff - decreased \$302,680 to Improvement of Instruction Services/Other Support Services, instructional Staff, Salaries of Supervisors of Instruction due to changes in account codes due to job description changes.
- Required Maintenance for School Facilities, Cleaning, Repair, and Maintenance Services - increased \$277,268 for additional repairs and supplies.
- Unallocated Employee Benefits - Health Benefits - decreased \$1,473,095 due to breakage from staff who opted out of taking benefits and received the state mandated payout, the new EHP Plan with the State Health Benefit Program, and the rate reductions and non-payment of the February 2022 premium due to the premium holiday voted by the School Employees' Health Benefits Program (SEHBP) for school districts participating in the SEHBP. Funds were used for repairs, textbooks, transportation, equipment, and a sound system.

Capital Assets

At June 30, 2022, the District had \$28,223,721 invested in land, building, improvements, machinery and equipment, and lease assets for equipment. Table 4 shows fiscal year 2022 balances compared to 2021. 2021 has been restated for the adoption of GASB Statement No. 87.

**Table 4
Capital Assets (Net of Depreciation) at June 30,**

	2022	2021 Restated
Land	\$ 216,520	\$ 216,520
Site Improvements	2,898,925	3,285,473
Building and Improvements	22,775,806	23,111,103
Machinery and Equipment	1,010,083	1,080,000
Lease Assets, Equipment	1,322,387	2,010,505
Total	\$ 28,223,721	\$ 29,703,601

Overall, net capital assets decreased \$1,479,880 from fiscal year 2021 to fiscal year 2022. The decrease in capital assets is due primarily to depreciation and amortization greater than current year capital outlay additions.

Debt Administration

At June 30, 2022, the District had \$8,711,853 of outstanding long-term debt and long-term liabilities. The following is a comparison of the June 30, 2022 and 2021 balances. 2021 has been restated for the adoption of GASB Statement No. 87.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Debt Administration (Continued)

**Table 5
Outstanding Long-Term Liabilities at June 30,**

	2022	2021 Restated
2004 General Obligation Refunded Bonds	\$ 2,435,000	\$ 3,660,000
Net Pension Liability	4,512,158	6,455,577
Leases Payable	1,321,010	2,010,505
Compensated Absences	443,685	409,737
	\$ 8,711,853	\$ 12,535,819

At June 30, 2022, the District's available borrowing margin was \$129,927,008.

For the Future

The River Dell Regional School District is in good financial condition presently. The District is proud of its community support of the public schools. A concern is the student enrollment. Over the past several years, the student population has been decreasing, and this trend is projected to continue for several more years.

The River Dell Regional School District's budget for 2022-2023 was approved by the County Superintendent.

In conclusion, the River Dell Regional School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

The financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District's Business Administrator, Gertrude Engle, at 230 Woodland Avenue, River Edge, NJ 07661.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

RIVER DELL REGIONAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 2,799,034	\$ 88,058	\$ 2,887,092
Receivables, net	550,861		550,861
Inventories		2,004	2,004
Restricted cash	3,249,721		3,249,721
Capital assets, net			
Land	216,520		216,520
Property, plant, and equipment	26,672,665	12,149	26,684,814
Lease assets	1,322,387		1,322,387
Total assets	34,811,188	102,211	34,913,399
Deferred outflows of resources:			
Deferred outflows related to pensions	638,390		638,390
Total deferred outflows of resources	638,390		638,390
LIABILITIES			
Accounts payable	1,372,765	27,489	1,400,254
Payable to state government	134,869		134,869
Accrued interest	37,413		37,413
Noncurrent liabilities:			
Due within one year	2,255,480		2,255,480
Due beyond one year:			
Bonds payable	1,215,000		1,215,000
Compensated absences	94,193		94,193
Net pension liability	4,512,158		4,512,158
Lease liability	635,022		635,022
Total liabilities	10,256,900	27,489	10,284,389
Deferred inflows of resources:			
Deferred inflows related to pensions	3,098,727		3,098,727
Total deferred inflows of resources	3,098,727		3,098,727
NET POSITION			
Net investment in capital assets	24,455,562	12,149	24,467,711
Restricted for:			
Capital reserve	2,195,318		2,195,318
Maintenance reserve	382,712		382,712
Excess surplus	650,000		650,000
Unemployment compensation	238,655		238,655
Scholarships	117,853		117,853
Student activities	255,956		255,956
Other purposes	398,714		398,714
Unrestricted (deficit)	(6,600,819)	62,573	(6,538,246)
Total net position	\$ 22,093,951	\$ 74,722	\$ 22,168,673

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2022

Function/Programs	Expenses	Program Charge for Services
Governmental activities:		
Instruction:		
Regular	\$ 17,295,816	\$ -
Special education	4,565,934	212,640
Other special instruction	187,289	
Other instruction	1,475,506	109,236
Support services:		
Tuition	2,661,293	
Student and instruction related services	6,038,140	
School administrative services	1,795,578	
General administration services	854,525	
Central services	649,612	
Administrative information technology services	567,337	
Plant operations and maintenance	3,019,071	2,108
Pupil transportation	1,024,699	
Charter schools	24,212	
Interest on long-term debt	138,227	
Unallocated depreciation and amortization	1,348,179	
Total governmental activities	<u>41,645,418</u>	<u>323,984</u>
Business-type activities:		
Food services	<u>473,615</u>	<u>418,667</u>
Total business-type activities	<u>473,615</u>	<u>418,667</u>
Total primary government	<u>\$ 42,119,033</u>	<u>\$ 742,651</u>

Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ 3,852,182	\$ -	\$ (13,443,634)	\$ -	\$ (13,443,634)
1,240,616		(3,112,678)		(3,112,678)
42,757		(144,532)		(144,532)
142,486		(1,223,784)		(1,223,784)
408,765		(2,252,528)		(2,252,528)
2,009,439		(4,028,701)		(4,028,701)
350,348		(1,445,230)		(1,445,230)
105,525		(749,000)		(749,000)
81,914		(567,698)		(567,698)
58,063		(509,274)		(509,274)
251,464	80,306	(2,685,193)		(2,685,193)
271,799		(752,900)		(752,900)
		(24,212)		(24,212)
		(138,227)		(138,227)
		(1,348,179)		(1,348,179)
<u>8,815,358</u>	<u>80,306</u>	<u>(32,425,770)</u>		<u>(32,425,770)</u>
			(54,948)	(54,948)
			(54,948)	(54,948)
<u>\$ 8,815,358</u>	<u>\$ 80,306</u>	<u>(32,425,770)</u>	<u>(54,948)</u>	<u>(32,480,718)</u>
General revenues:				
Property taxes levied for:				
		32,061,783		32,061,783
		1,371,400		1,371,400
		1,186,329		1,186,329
		1,845		1,845
		5,780	103	5,883
		15,393		15,393
Total general revenues		<u>34,642,530</u>	<u>103</u>	<u>34,642,633</u>
Change in net position		2,216,760	(54,845)	2,161,915
Net position - beginning of year		<u>19,877,191</u>	<u>129,567</u>	<u>20,006,758</u>
Net position - ending		<u>\$ 22,093,951</u>	<u>\$ 74,722</u>	<u>\$ 22,168,673</u>

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

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

RIVER DELL REGIONAL SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2022

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash	\$ 2,557,058	\$ 241,976	\$ -	\$ 2,799,034
Accounts receivable:				
State	357,757	359		358,116
Federal		192,745		192,745
Restricted cash	2,875,912	373,809		3,249,721
Total assets	\$ 5,790,727	\$ 808,889	\$ -	\$ 6,599,616
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 506,203	\$ 300,211	\$ -	\$ 806,414
Payroll deductions and withholdings	29,666			29,666
Unemployment trust fund liability	59,226			59,226
Intergovernmental payable:				
State		134,869		134,869
Total liabilities	595,095	435,080	-	1,030,175
Fund balances:				
Restricted for:				
Capital reserve:				
Designated for subsequent year's expenditures	1,008,888			1,008,888
Capital reserve	1,186,430			1,186,430
Maintenance reserve	382,712			382,712
Reserved for excess surplus	325,000			325,000
Reserved excess surplus - designated for subsequent year's expenditures	325,000			325,000
Unemployment compensation	238,655			238,655
Scholarships		117,853		117,853
Student activities		255,956		255,956
Committed:				
Year-end encumbrances	100,806			100,806
Assigned:				
Year-end encumbrances	297,908			297,908
Unassigned	1,330,233			1,330,233
Total fund balances	5,195,632	373,809	-	5,569,441
Total liabilities and fund balances	\$ 5,790,727	\$ 808,889	\$ -	

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

Capital assets, including leases, used in governmental activities are not financial resources, and therefore, are not reported in the funds. The costs of the assets are \$52,196,499 and the accumulated depreciation and amortization is \$23,984,927.	28,211,572
Accrued interest is not due and payable in the current period, and therefore, is not reported as a liability in the funds.	(37,413)
Deferred outflows related to pensions.	638,390
Accounts payable related to the April 1, 2022 required PERS pension contribution that is not liquidated with current financial resources.	(477,459)
Deferred inflows related to pensions.	(3,098,727)
Long-term liabilities, including lease and bonds payable, are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. (See Note 9)	(4,199,695)
Net pension liability.	(4,512,158)
Net position of governmental activities	\$ 22,093,951

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES:				
Local sources:				
Local tax levy	\$ 32,061,783	\$ -	\$ 1,371,400	\$ 33,433,183
Tuition	212,640			212,640
Interest - capital reserve funds	1,845			1,845
Restricted miscellaneous revenues	20,917			20,917
Unrestricted miscellaneous revenues	111,600	517,677		629,277
Total revenues - local sources	32,408,785	517,677	1,371,400	34,297,862
State sources	10,404,381	472,171		10,876,552
Federal sources		861,213		861,213
Total revenues	42,813,166	1,851,061	1,371,400	46,035,627
EXPENDITURES:				
Current expense:				
Regular instruction	11,621,447	213,861		11,835,308
Special education instruction	3,112,128			3,112,128
Other special instruction	123,951			123,951
Other instruction	1,277,789			1,277,789
Support services and undistributed costs:				
Tuition	2,252,528	408,765		2,661,293
Student and instruction related services	3,552,023	1,058,189		4,610,212
School administration services	1,262,656			1,262,656
General administration services	691,385			691,385
Central services	516,705			516,705
Administrative information technology services	469,927			469,927
Plant operations and maintenance	2,740,622			2,740,622
Pupil transportation	964,433	47,684		1,012,117
Employee benefits	12,943,622			12,943,622
Capital outlay	578,180	80,306		658,486
Transfer of funds to charter schools	24,212			24,212
Debt service:				
Principal			1,225,000	1,225,000
Interest			146,400	146,400
Total expenditures	42,131,608	1,808,805	1,371,400	45,311,813
Net change in fund balances	681,558	42,256		723,814
Fund balances - July 1,	4,514,074	331,553		4,845,627
Fund balances - June 30	\$ 5,195,632	\$ 373,809	\$ -	\$ 5,569,441

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2022

Total net change in fund balances - governmental funds (from B-2)	\$	723,814
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which depreciation and amortization exceeded capital outlays in the period.</p>		
Depreciation and amortization	\$ (2,135,559)	
Capital outlays	<u>658,486</u>	(1,477,073)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		1,225,000
Payment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		689,495
Governmental funds report the District's PERS pension contribution as expenditures. However, in the Statement of Activities, the cost of pension benefits earned is reported as pension benefit (expense). This is the amount by which the pension benefit exceeded the District's pension contribution in the current period.		1,078,748
In the Statement of Activities, interest on long-term debt is accrued regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an increase in the reconciliation.		10,724
In the Statement of Activities, certain operating expenses, e.g., compensated absences (vacations and sick days) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the amount earned, the difference is an addition to the reconciliation.		<u>(33,948)</u>
Change in net position of governmental activities	\$	<u><u>2,216,760</u></u>

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Statement of Net Position
 June 30, 2022

	Business-type Activities - Enterprise Funds
	Food Services
ASSETS	
Current assets:	
Cash	\$ 88,058
Inventories	2,004
Total current assets	90,062
Noncurrent assets:	
Furniture, machinery and equipment	177,006
Less: accumulated depreciation	164,857
Total noncurrent assets	12,149
Total assets	102,211
LIABILITIES	
Current liabilities:	
Accounts payable	27,489
Total current liabilities	27,489
NET POSITION	
Net investment in capital assets	12,149
Unrestricted	62,573
Total net position	\$ 74,722

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Statement of Revenues, Expenses and Changes in Net Position
 For the Fiscal Year Ended June 30, 2022

	<u>Business-type Activities - Enterprise Funds</u> <u>Food Services</u>
OPERATING REVENUES:	
Charges for services:	
Daily sales - non-reimbursable programs	\$ <u>418,667</u>
Total operating revenues	<u>418,667</u>
OPERATING EXPENSES:	
Food service management company salaries	146,462
Food service management company payroll taxes	20,776
Food service management company employee benefits	35,934
Purchased professional and technical services	51,240
Insurance	3,124
Communications	192
Supplies	23,481
Rent	28,350
Repairs	1,181
Other purchased services	1,001
Miscellaneous	1,897
Depreciation	2,807
Cost of sales - non-reimbursable program	<u>157,170</u>
Total operating expenses	<u>473,615</u>
Operating loss	<u>(54,948)</u>
Nonoperating revenues:	
Other sources:	
Interest revenue	<u>103</u>
Total nonoperating revenues	<u>103</u>
Change in net position	(54,845)
Total net position - July 1	<u>129,567</u>
Total net position - June 30	<u>\$ <u>74,722</u></u>

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2022

	Business-type Activities - <u>Enterprise Funds</u> Food Services <u> </u>
Cash flows from operating activities:	
Receipts from customers	\$ 418,667
Payments to employees	(146,462)
Payment for payroll taxes and employee benefits	(56,710)
Payments to suppliers	<u>(242,151)</u>
Net cash used by operating activities	<u>(26,656)</u>
Cash flows from investing activities:	
Interest on investments	<u>103</u>
Net cash provided by investing activities	<u>103</u>
Net decrease in cash	(26,553)
Cash - July 1	<u>114,611</u>
Cash - June 30	<u>\$ 88,058</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ <u>(54,948)</u>
Adjustments not affecting cash:	
Depreciation	2,807
Change in assets and liabilities:	
Increase in inventories	(2,004)
Increase in accounts payable	<u>27,489</u>
Total adjustments	<u>28,292</u>
Net cash used by operating activities	<u>\$ (26,656)</u>

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

NOTES TO FINANCIAL STATEMENTS

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The River Dell Regional School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education (the "Board") consists of nine members elected to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the District is to educate students in grades 7 - 12. The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. For the River Dell Regional School District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. Recent Accounting Pronouncements:

During fiscal year 2022 the District adopted the following GASB statements:

- GASB Statement No. 87, *Leases* - was effective with the fiscal year ending June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of adoption, the District's capital assets beginning balance as of July 1, 2021, for lease assets and lease liabilities was increased by \$2,010,505. Additional disclosures of the District's implementation with respect to GASB Statement No. 87 are included in Note 7 - Capital Assets, Note 8 - Leases, and Note 9 - Long-Term Liabilities.

RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Recent Accounting Pronouncements (Continued):

- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* - was effective with the fiscal year ending June 30, 2022. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The adoption of this Statement had no impact on the District's financial statement as there was no construction project interest.
- GASB Statement No. 92, *Omnibus 2020* - was effective with the fiscal year ending June 30, 2022, except requirements related to GASB Statement No. 87 and Implementation Guide No. 2019-3 which were effective upon issuance. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics. The adoption of this Statement had no impact on the District's current accounting practices nor its financial reporting.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32* - the section that may be applicable to the District was effective with the fiscal year ending June 30, 2022. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report* - was effective with the fiscal year ending June 30, 2022. The objective of this Statement establishes the term *annual comprehensive financial report* and its acronym ACFR. The new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Recent Accounting Pronouncements (Continued):

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 91, *Conduit Debt Obligations* - will be effective with the fiscal year ending June 30, 2023. The requirements of this Statement will improve financial reporting by providing a single method of reporting conduit debt obligations for government issuers and eliminate diversity in practice. The Statement achieves these objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.
- GASB Statement No. 96, *Subscription- Based Information Technology Arrangements* - will be effective with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB Statement No. 99, *Omnibus 2022* - addresses practice issues that were identified during implementation and application of certain GASB Statements. The Statement addresses a variety of topics including the extension of the use of LIBOR, accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments as well as clarification of provisions in GASB Statement No. 34 and terminology updates related to GASB Statements No. 53 and 63. These requirements are effective upon issuance and had no material impact on the District's financial statements. The requirements related to leases, public-private and public-public partnerships, and subscription-based information technology arrangements, will be effective with the fiscal year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 will be effective with the fiscal year ending June 30, 2024.
- GASB Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62* - will be effective with the fiscal year ending June 30, 2024. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Recent Accounting Pronouncements (Continued):

- GASB Statement No. 101, *Compensated Absences* - will be effective with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Management has not yet determined the impact of implementing these pronouncements.

C. Basis of Presentation:

The District's basic financial statements consist of District-Wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

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

The Statement of Activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, pension, postemployment benefits, workers compensation, compensated absences, and tuition reimbursements. Depreciation and amortization expense, where practicable, is specifically identified by function. Depreciation and amortization expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued):

The District reports the following governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings and the purchase of built-in equipment. These resources cannot be transferred from and to current expense without Board resolution and NJDOE approval.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from State, Federal, and Local Governments, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes. Included in the special revenue fund are private purpose scholarship funds from donations to provide scholarship awards and student activity funds.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the District's voters as a separate question on the ballot either during the annual election or at a special election and from state aid through economic development grants other than those financed by the proprietary fund.

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for and the payment of principal and interest on bonds issued to finance major property acquisition, construction, and improvement programs of the government funds.

The District reports the following proprietary funds:

Enterprise Fund: The enterprise fund accounts for all revenues and expenses pertaining to the District's food service (cafeteria) operations. The food service fund is utilized 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 (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

The District has no fiduciary funds.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting:

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

District-Wide and Proprietary Fund Financial Statements: The District-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements: Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

E. 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 for approval and are no longer voted on by the electorate. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f) 1.

On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under this new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year and going forward. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general election in accordance with the law.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control (Continued):

All budget amendments/transfers must be approved by School Board resolution and may be made at any time during the fiscal year, as long as the “transfer from” does not exceed 10% of the original line-item budget, is not going to an administrative account, and is not going to or from capital outlay construction of facilities. If a transfer is anticipated to exceed 10%, the District must obtain NJDOE approval prior to making the transfer. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining capital project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis, except for the scholarship fund and student activity fund. 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.

F. Encumbrance Accounting:

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

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

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance:

Cash:

Cash includes cash in banks and money market accounts.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of New Jersey's 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 District's deposits are insured through the Federal Deposit Insurance Corporation (FDIC), or GUDPA. The District is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC. Bank balances are insured up to \$250,000 in aggregate by FDIC for each bank.

Receivables and Allowance for Uncollectible Accounts:

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. No allowance for uncollectible accounts has been recorded, as all amounts are considered collectible.

Inventories:

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Inventories in the proprietary funds are valued at cost, which approximates market, using the first-in first-out (FIFO) method.

Short-Term Interfund Receivables/Payables:

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

Capital and Lease Assets:

Capital assets, which include property, plant, equipment, and lease assets, are reported in the applicable governmental or business-type activities columns in the District-Wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued):

Capital and Lease Assets (Continued):

The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure.

Accumulated depreciation and amortization are reported as reductions of capital assets. All reported capital assets, except for land, are depreciated or amortized. Depreciation is computed using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Site improvements	20
School buildings and building improvements	45-50
Vehicles	8
Office, computer, instructional, and grounds equipment	5-15

Lease assets are amortized over the lease term or the life of the asset, whichever is less. See Notes 7, 8, and 9.

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

Deferred Outflows/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. The District has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The one item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the District-Wide Statement of Net Position and results from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

Deferred Outflows/Inflows of Resources (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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item which arose only under the accrual basis of accounting that qualifies for reporting in this category. This item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the District-Wide Statement of Net Position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. The amount is deferred and amortized over future years.

Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

Accrued Liabilities and Long-term Liabilities:

All payables, accrued liabilities, and long-term liabilities are reported on the District-Wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as liabilities of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds and lease liabilities are recognized as a liability on the fund financial statements when due.

Accrued Salaries and Wages:

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned, but undisbursed amounts be retained in a separate bank account. As of June 30, 2022, the amounts earned by these employees were disbursed to the employees' own individual accounts.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

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 is attributable to services already rendered, and that is not contingent on a specific event that is outside the control of the 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 District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The entire compensated absence liability is reported on the District-Wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In the proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Pensions:

In the District-Wide financial statements, 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 retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. 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. In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

District-Wide Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, including lease assets, net of accumulated depreciation and amortization, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

Fund Balance:

Fund balance categories are designed to make the nature and extent of the constraints placed on a government's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures - This restriction was created in accordance with N.J.S.A. 18A:7F-7 to represent the June 30, 2021 audited excess surplus that was appropriated in the 2022/2023 original budget certified for taxes.

Reserved Excess Surplus - This restriction was created in accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2021, c.35, to represent the June 30, 2022 audited excess surplus that is required to be appropriated in the 2023/2024 original budget certified for taxes.

Capital Reserve - This restriction was created by the District in accordance with N.J.A.C. 6A:23A 14.1 to fund future capital expenditures. See Note 14.

Maintenance Reserve - This restriction was created by the District in accordance with N.J.A.C. 6A:23A 14.2 to accumulate funds for the required maintenance of school facilities in accordance with N.J.S.A. 18A:7G-9 for a thorough and efficient education. See Note 15.

Unemployment Compensation - Represents funds restricted specifically to pay for employees' unemployment compensation claims.

Scholarships - Represents funds restricted for scholarships or awards to students.

Student Activities - Represents student funds held at the schools.

Capital Projects - Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service - Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

Fund Balance (Continued):

Committed Fund Balance - Amounts constrained to specific purposes by an entity itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the entity takes the same highest-level action to remove or change the constraint.

Year-End Encumbrances - Represents outstanding purchase orders at year-end for contracts awarded by formal action of the Board of Education for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30, 2022.

Assigned Fund Balance - Amounts the entity intends to use for a specific purpose; intent can be expressed by the Board of Education or by an official or body to which the Board of Education delegates the authority.

Year-End Encumbrances - Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30, 2022.

Unassigned Fund Balance - Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

H. Revenues and Expenditures/Expenses:

Revenues - Exchange and Nonexchange Transactions:

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

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Revenues and Expenditures/Expenses (Continued):

Revenues - Exchange and Nonexchange Transactions (Continued):

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

Interfund Transactions:

Transfers between governmental and business-type activities on the District-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 the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Tuition:

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Expenditures - Tuition charges for fiscal year 2021-2022 were based on rates established by the receiving district or private school for the disabled. These rates are subject to change when the actual costs have been certified by the state.

Proprietary Funds, Operating and Nonoperating Revenues and Expenses:

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

I. Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

J. Management Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

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

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

NOTE 3. CASH

As of June 30, 2022, cash and restricted cash of the District consisted of \$6,136,813 in checking and money market accounts. The District has no bank deposits that are uninsured, unregistered, or uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository or by its trust department or agent but not in the District's name.

Custodial Credit Risk - Deposits:

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy for custodial credit risk. As of June 30, 2022, the District's bank balances of approximately \$6,526,000 was not exposed to custodial credit risk, as the District's deposits are primarily in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act and FDIC. See Note 1.

NOTE 4. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

There were no interfund receivables or payables that remained on the fund financial statements at June 30, 2022. Additionally, there were no interfund transfers for the year ended June 30, 2022.

NOTE 5. RECEIVABLES

Receivables at June 30, 2022, consisted of accounts (fees for service), reimbursements, and intergovernmental State activities. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	<u>Amount</u>
Governmental activities	
General Fund:	
State	\$ 357,757
Special Revenue fund:	
State	359
Federal	<u>192,745</u>
Total receivables	<u>\$ 550,861</u>

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6. INVENTORIES

Inventories in the food service fund at June 30, 2022, consisted of the following:

Food and supplies	\$ 2,004
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NOTE 7. CAPITAL ASSETS

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

	Restated Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
Governmental activities:				
<i>Capital assets not being depreciated/ amortized:</i>				
Land	\$ 216,520	\$ -	\$ -	\$ 216,520
Total capital assets not being depreciated/amortized	216,520			216,520
<i>Capital assets being depreciated/ amortized:</i>				
Site improvements	8,459,657	19,200		8,478,857
Building and building improvements	36,803,908	503,474		37,307,382
Machinery and equipment	4,053,918	135,812	(6,495)	4,183,235
Lease assets, equipment	2,010,505			2,010,505
<i>Total capital assets being depreciated/ amortized:</i>	51,327,988	658,486	(6,495)	51,979,979
<i>Less accumulated depreciation/ amortization:</i>				
Site improvements	5,174,184	405,748		5,579,932
Building and building improvements	13,692,805	838,771		14,531,576
Machinery and equipment	2,988,874	202,922	(6,495)	3,185,301
Lease assets, equipment	688,118	688,118		688,118
<i>Total accumulated depreciation/ amortization</i>	21,855,863	2,135,559	(6,495)	23,984,927
<i>Total capital assets being depreciated/ amortized, net</i>	29,472,125	(1,477,073)		27,995,052
<i>Government activity capital assets, net</i>	\$ 29,688,645	\$ (1,477,073)	\$ -	\$ 28,211,572

The June 1, 2021 beginning balance has been restated for the lease assets due to the adoption of GASB Statement No. 87 (See Note 1).

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Retirements</u>	<u>Ending Balance</u>
<i>Business-type activities:</i>				
Equipment	\$ 177,006	\$ -	\$ -	\$ 177,006
Less accumulated depreciation	<u>162,050</u>	<u>2,807</u>		<u>164,857</u>
<i>Business-type activities capital assets, net</i>				
	<u>\$ 14,956</u>	<u>\$ (2,807)</u>	<u>\$ -</u>	<u>\$ 12,149</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Regular instruction	\$ 698,073
Student and instruction related services	41,012
School administrative services	4,290
General administration services	3,681
Central services	7,016
Administrative information technology services	220
Plant operations and maintenance	26,982
Pupil transportation	6,106
Unallocated	1,348,179
Business type activities:	
Food services	<u>2,807</u>
Total	<u>\$ 2,138,366</u>

NOTE 8. LEASES

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The District leases equipment, primarily computers and copiers. The related obligations are presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. As the lessee, a lease liability and the associated lease asset is recognized on the District-Wide Statement of Net Position.

The District has fixed payments within its lease arrangements, which are included in the measurement of the lease liability presented in the table below. The District did not incur expenses related to its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. As a lessee, there are currently no agreements that include sale-leaseback and lease-leaseback transactions.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8. LEASES (CONTINUED)

As of June 30, 2022, the District had principal and interest payment requirements for its equipment leasing activities, with a remaining term in excess of one year, as follows:

Governmental Activities: Fiscal year ending June 30,	Liability Beginning Balance	Total Principal	Total Interest	Total Payments	Liability Ending Balance
2022	\$ 2,010,505	\$ 689,495	\$ 2,551	\$ 692,046	\$ 1,321,010
2023	\$ 1,321,010	\$ 685,988	\$ 6,059	\$ 692,047	\$ 635,022
2024	635,022	<u>635,022</u>	2,954	637,976	-
		<u>\$ 1,321,010</u>			

NOTE 9. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2022, the following changes occurred in long-term liabilities:

	Restated Balance, June 30, 2021	Increases	Decreases	Balance June 30, 2022	Amounts Due Within One Year
Bonds payable	\$ 3,660,000	\$ -	\$ (1,225,000)	\$ 2,435,000	\$ 1,220,000
Leases	2,010,505		(689,495)	1,321,010	685,988
Net pension liability	6,455,577		(1,943,419)	4,512,158	
Compensated absences payable	<u>409,737</u>	<u>115,890</u>	<u>(81,942)</u>	<u>443,685</u>	<u>349,492</u>
	<u>\$ 12,535,819</u>	<u>\$ 115,890</u>	<u>\$ (3,939,856)</u>	<u>\$ 8,711,853</u>	<u>\$ 2,255,480</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated in the general fund.

The June 1, 2021 beginning balance has been restated for the lease liabilities due to the adoption of GASB Statement No. 87 (See Note 1).

- A. General Obligation Bonds - Bonds are authorized in accordance with State law by the voters of the municipality through referendums, to provide funds for the acquisition and construction of major capital facilities. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

A. General Obligation Bonds (Continued):

On March 1, 2004, the District issued \$21,982,000 general obligation bonds at interest rates varying from 3.25% to 4.25% for various construction and renovation projects, however, these bonds were refunded on March 1, 2013 at an interest rate of 4%. The final maturity of these bonds is March 1, 2024.

Interest paid on debt issued by the District is exempt from federal income tax.

B. Debt Service Requirements - Debt service requirements on general obligation serial bonds payable at June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,220,000	\$ 97,400	\$ 1,317,400
2024	1,215,000	48,600	1,263,600
	<u>\$ 2,435,000</u>	<u>\$ 146,000</u>	<u>\$ 2,581,000</u>

C. Bonds Authorized But Not Issued - The District has no authorized but not issued bonds at June 30, 2022.

NOTE 10. PENSION PLANS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems covering substantially all eligible District employees: The Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). TPAF is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. PERS is considered a cost-sharing multiple-employer plan.

Descriptions of Systems

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage, including post-retirement health care, to substantially all full-time certified teachers or professional staff of the public school systems and charter schools in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Descriptions of Systems (Continued)

Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60 and 62, respectively, with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above-mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State, and to any county, municipality, school board, charter school, or public agency, provided the employee is not required to be a member of another state-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60 and 62, respectively, with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above-mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or at www.state.nj.us/treasury/pensions/. According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey also sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees, which include those District employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP)

Established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain District employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Supplemental Annuity Collective Trust Fund (SACT)

The State established and administers a SACT, which is available to active members of the State administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

Funding Policy

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.5% for PERS and 7.5% for TPAF effective July 1, 2018. In the DCRP, employee contributions are 5.5% of employees' annual compensation.

Annual Pension Costs

For the fiscal year ended June 30, 2022, the TPAF annual pension cost differs from the annual required contribution. For PERS, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the District. PERS employer contributions are made annually by the District to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2022, 2021, and 2020, the District was required to contribute for PERS and DCRP, and the State of New Jersey was required to contribute for TPAF, for normal pension costs and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	PERS	On-Behalf TPAF	DCRP
2022	\$ 446,061	\$ 5,998,844	\$ 3,636
2021	433,061	4,223,934	3,965
2020	383,762	3,171,345	3,511

In addition, for fiscal year ended June 30, 2022, the State contributed \$1,577 for TPAF for Long-Term Disability Insurance Premium (LTDI). The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as the District-Wide financial statements (accrual basis) as an expense.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Annual Pension Costs (Continued)

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,195,971 during the fiscal year ended June 30, 2022, for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the District-Wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

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

Public Employee's Retirement System

At June 30, 2022, the District reported a liability of \$4,512,158 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2021, the District's proportion was .03808853%, which was a decrease of .00149830% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized a pension benefit of \$632,687 in the District-Wide financial statements. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	\$ 71,163	\$ 32,302
Changes of assumptions	23,499	1,606,357
Net difference between projected and actual earnings on pension plan investments	-	1,188,621
Changes in proportion and differences between District contribution and proportionate share of contributions	66,269	271,447
District contributions subsequent to the measurement date	<u>477,459</u>	
Total	<u>\$ 638,390</u>	<u>\$ 3,098,727</u>

\$477,459 is reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

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

<u>Year Ending June 30,</u>	
2022	\$ (1,144,613)
2023	(817,251)
2024	(557,226)
2025	(418,868)
2026	<u>163</u>
Total	<u>\$ (2,937,795)</u>

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 key actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00% - 6.00% Based on years of service
Thereafter	3.00% - 7.00% Based on years of service
Investment rate of return	7.00%

Mortality Rates

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.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

Long-Term 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 Investment 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:

<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%

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the PERS net pension liability	\$ 6,144,644	\$ 4,512,158	\$ 3,126,762

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System. The financial report may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions/.

Additional Information

Collective balances for participating local employers at June 30, 2021, are as follows:

Collective deferred outflows of resources	\$ 248,531,007
Collective deferred inflows of resources	7,422,916,600
Collective net pension liability	11,972,782,878
District's proportion	0.03768679%

The components of the net pension liability of the participating employers for PERS as of June 30, 2021, are as follows:

	State	Local	Total
Total pension liability	\$ 28,950,516,944	\$ 40,359,568,055	\$ 69,310,084,999
Plan fiduciary net position	7,321,019,459	28,386,785,177	35,707,804,636
Net pension liability	\$ 21,629,497,485	\$ 11,972,782,878	\$ 33,602,280,363
District's net pension liability (as reported on June 30, 2021)			\$ 4,512,158

Collective pension expense (benefit), which excludes pension expense (benefit) related to specific liabilities of individual employers, for the local employers for the year ending June 30, 2021 is \$(1,606,617,948).

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) is 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57, years for 2021, 2020, 2019, 2018, 2017, and 2016, respectively.

Teachers' Pensions and Annuity Fund

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2021 was \$68,552,892. The 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 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 a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and charter schools, actuarially determined. At June 30, 2021, the State's proportionate share of the TPAF net pension liability associated with the District was .14259516%, which was an increase of .00055419% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue in the District-Wide financial statements of \$1,613,080 for contributions incurred by the State.

Actuarial Assumptions

The actuarial valuation used the following assumptions, applied to all periods included 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%

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Teachers' Pensions and Annuity Fund (Continued)

Mortality Rates

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

<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%

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Teachers' Pensions and Annuity Fund (Continued)

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

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

The following presents the net pension liability of the State associated with the District as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the State's net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State's proportionate share of the net pension liability associated with the District	<u>\$ 81,109,522</u>	<u>\$ 68,552,892</u>	<u>\$ 58,006,112</u>

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

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Teachers' Pensions and Annuity Fund financial report. The financial report may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions/.

Additional Information

Collective deferred outflows of resources, nonemployer	\$ 6,356,228,800
Collective deferred inflows of resources, nonemployer	27,175,330,928
Collective net pension liability, nonemployer	48,075,188,642
District's proportion	0.14259516%

Collective pension expense, which excludes pension expense related to specific liabilities of individual employers, for the measurement period ended June 30, 2021, is \$1,133,366,912.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Plan Description and Benefits Provided

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as “the employers”) for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen’s Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 52:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L.1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan 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. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, 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: TPAF, PERS, PFRS, or ABP.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information about the OPEB Plan (Continued)

Pursuant to P.L.2011, c.78, future retirees eligible for postemployment 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 State is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$60,007,650,970 for this special funding situation.

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB's No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Note that actual numbers will be published in the New Jersey State's ACFR on the Office of Management and Budget webpage: nj.gov/treasury/omb/fr.shtml.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

Active plan members	216,804
Inactive plan members or beneficiaries currently receiving benefits	149,304
Inactive plan members entitled to but not yet receiving benefits	-
Total plan members	366,108

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2021 actuarial valuation reported by the State in the State's most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%		
Salary increases:	TPAF/ABP	PERS	PFRS
Through 2026	1.55%-4.45%	2.00%-6.00%	3.25%-15.25%
	based on service years	based on service years	based on service years
Thereafter	2.75%-5.65%	3.00%-7.00%	Not applicable
	based on service years	based on service years	
Discount rate	2.16%		

The discount rate was based on the Bond Buyer Go 20-Bond Municipal Bond Index.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

The 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.

Health Care Trend Assumptions

For pre-Medicare medical benefits, this amount initially is 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 rate 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 Medicare Part B reimbursement, the trend rate is 5.00%.

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability (State Share 100%)
Balance at June 30, 2020 measurement date	\$ 70,104,236
Changes for the year:	
Service cost	3,275,532
Interest on the total OPEB liability	1,642,533
Changes of benefit terms	(67,394)
Differences between expected and actual experience	(10,447,610)
Changes of assumptions	62,468
Gross benefit payments	(1,293,856)
Contributions from the members	41,992
	63,317,901
Balance at June 30, 2021 measurement date	\$ 63,317,901

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021, and changes in the trend update, mortality projection scale update, and changes in the salary scale.

Changes in benefit terms is due to employers adopting Chapter 44 provisions.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

The following presents the State's proportionate share of the total OPEB liability attributable to the District calculated using the discount rate as disclosed above as well as what the State's proportionate share of the OPEB liability attributable to the District would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	At 1% Decrease (1.16%)	At Current Discount Rate (2.16%)	At 1% Increase (3.16%)
Total OPEB liability (school retirees)	\$ 75,844,905	\$ 63,317,901	\$ 53,453,637

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

The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare trend rate:

	1% Decrease	Trend Rates	1% Increase
Total OPEB liability (school retirees)	\$ 51,256,047	\$ 63,317,901	\$ 79,516,080

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021, were not provided by the pension system.

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

For the year ended June 30, 2022, the District recognized OPEB revenue and expense of \$3,613,888 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and in which there is a special funding situation.

In accordance with GASB Statement No. 75 the District's proportionate share of school retirees OPEB liability is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to the District for OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 9,544,892	\$ (19,002,828)
Changes in assumptions	10,741,079	(6,793,421)
Net difference between expected and actual earnings on OPEB plan investments	-	-
Changes in proportion	1,613,860	(576,825)
Contributions made in fiscal year ending 2022 after June 30, 2021 measurement date	To be determined	-
Total	\$ 21,899,831	\$ (26,373,074)

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

Year Ending June 30,		
2022	\$	(1,012,739)
2023		(1,012,739)
2024		(1,012,739)
2025		(1,012,739)
2026		(720,044)
Thereafter		<u>297,759</u>
Total	\$	<u><u>(4,473,241)</u></u>

NOTE 12. COMPENSATED ABSENCES

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

District employees who are employed under a ten-month contract are entitled to ten paid sick leave days per fiscal school year. District employees who are employed under a twelve-month contract are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. For employees who have not less than ten (10) years of service in the District, the District shall pay, with certain limitations, the employee for unused sick leave in accordance with the District's agreements with the various employee unions. Vacation days not used during the year may only be carried forward with approval from the Superintendent. See Note 1(G) for additional information.

The liability for vested compensated absences of the governmental fund types is recorded in the current and long-term liabilities.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2022, a liability did not exist for compensated absences in the enterprise funds.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 13. DEFERRED COMPENSATION

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, 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. The plan administrators are as follows: Aspire Financial Services, Equitable, Invesco Oppenheimer Funds, Jackson National Life Insurance, Lincoln Investment Planning, Security Benefit Life Insurance Company, and Vanguard.

NOTE 14. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education on September 25, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity will be included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2.

Pursuant to N.J.A.C. 6A:23-2.13(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 fiscal year July 1, 2021 to June 30, 2022 was as follows:

Beginning balance, July 1, 2021	\$	2,160,761
Increased by:		
Interest earnings		1,845
Deposit approved by board resolution June 9, 2022		382,712
Decreased by:		
Withdrawals through 2021-22 budget		(350,000)
Withdrawals through board resolution		-
		-
Ending balance, June 30, 2022	\$	2,195,318

The June 30, 2022 LRFP balance of local support costs of uncompleted capital projects is approximately \$18,482,000.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 15. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve 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. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve 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 fiscal year July 1, 2021 to June 30, 2022 was as follows:

Beginning balance, July 1, 2021	\$	-
Increased by:		
Deposit approved by board resolution June 9, 2022		382,712
Ending balance, June 30, 2022	\$	382,712

The June 30, 2022 comprehensive maintenance plan indicated a maximum reserve amount of \$1,669,382.

NOTE 16. FUND BALANCE APPROPRIATED

General Fund - Of the \$5,195,632 general fund balance in the fund financial statements at June 30, 2022, \$398,714 is reserved for encumbrances; \$650,000 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2021, c.35 (\$325,000 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023); \$2,195,318 has been reserved in the Capital Reserve Account (\$1,008,888 of the total capital reserve has been appropriated and included as anticipated revenue for the year ending June 30, 2023); \$382,712 has been reserved in the Maintenance Reserve Account; \$238,655 has been reserved for unemployment compensation claims; and \$1,330,233 is unassigned.

Special Revenue Fund – Of the \$373,809 special revenue fund balance in the fund financial statements at June 30, 2022, \$117,853 is reserved for scholarship awards, and \$255,956 is reserved for student activities.

Debt Service Fund - There is no balance at June 30, 2022.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 17. TRANSFERS FOR CAPITAL OUTLAY

During the year ending June 30, 2022, the District made \$301,902 in transfers to the capital outlay accounts, which did not require County Superintendent approval. \$249,333 was transferred to Capital Outlay to cover costs for equipment and \$52,569 was transferred for additional funds needed for an approved construction project.

NOTE 18. NET POSITION - UNRESTRICTED (DEFICIT)

As reflected on Exhibit A-1, Statement of Net Position, a deficit in unrestricted net position of \$6,600,819 existed as of June 30, 2022, for governmental activities. The primary cause of this deficit is the recognition of the net pension liability, as well as the District not recognizing the receivable for state aid payments and the recording of the long-term liability for compensated absences. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net Position, such liabilities are required to be recorded in the period in which they are incurred.

However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place, and pension costs are recorded when due. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

The deficit is a result of the following:

Unassigned fund balance (Exhibit C-1)	\$ 1,465,294
Unrecognized state aid payments for 2021-2022	(135,061)
Compensated absences payable	(443,685)
Accrued interest payable	(37,413)
State net pension liability and related deferred outflows and inflows	<u>(7,449,954)</u>
Unrestricted net position (deficit) (Exhibit A-1)	<u>\$ (6,600,819)</u>

NOTE 19. CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended by P.L.2021,c.35,. New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$650,000. Of this amount, \$325,000 was designated and appropriated in the 2022-2023 original budget certified for taxes and the remaining amount of \$325,000 will be appropriated in the 2023-2024 original budget certified for taxes.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 20. CONTINGENCIES

The District is involved in several claims incidental to its operations. In the opinion of the administration, the ultimate resolution of these matters will not have a material effect on the financial position of the District or will be covered under the District's insurance policies.

The District is a participant, together with other school districts, in a joint insurance workers' compensation trust. In the event that claims against the trust exceed annual revenues, the District would be obligated to contribute its ratable share of the losses to pay the liability.

NOTE 21. RISK MANAGEMENT

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

Property, Liability, and Workers' Compensation Insurance

The District also participates, together with other school districts, in a joint insurance workers compensation trust. See Note 20. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ -	\$ 29,876	\$	\$ 238,655
2020-2021	-	26,590	474	238,459
2019-2020	25,000	26,430	18,576	238,192

NOTE 22. OTHER MATTERS

The District participates in federal and state financial assistance grant programs. Expenditures financed by such assistance are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the District. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 32,061,783	\$ -	\$ 32,061,783	\$ 32,061,783	\$ -
Tuition	420,000		420,000	212,640	(207,360)
Interest - capital reserve funds	9,043		9,043	1,845	(7,198)
Restricted miscellaneous revenues				20,917	20,917
Unrestricted miscellaneous revenues	350,000		350,000	111,600	(238,400)
Total - local sources	32,840,826		32,840,826	32,408,785	(432,041)
State sources:					
Transportation aid	199,120		199,120	199,120	
Extraordinary aid	175,000		175,000	275,270	100,270
Special education categorical aid	943,334		943,334	943,334	
Equalization aid	285,155		285,155	285,155	
Security aid	125,221		125,221	125,221	
Other state aids				23,678	23,678
On-behalf TPAF pension contribution (non-budgeted)				5,998,844	5,998,844
On-behalf TPAF - post retirement medical contributions (non-budgeted)				1,401,573	1,401,573
On-behalf TPAF - long-term disability insurance (non-budgeted)				1,577	1,577
Reimbursed TPAF social security contributions (non-budgeted)				1,195,971	1,195,971
Total - state sources	1,727,830		1,727,830	10,449,743	8,721,913
Total revenues	34,568,656		34,568,656	42,858,528	8,289,872

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Salaries of teachers:	\$ 3,554,229	\$ 32,488	\$ 3,586,717	\$ 3,572,340	\$ 14,377
Grades 6-8	7,009,010	(218,779)	6,790,231	6,782,099	8,132
Grades 9-12					
Home instruction - regular programs:					
Salaries of teachers	20,000	(717)	19,283	12,766	6,517
Purchased professional - educational services	13,000	1,869	14,869	14,869	
Regular programs - undistributed instruction:					
Other salaries for instruction	124,148	43,109	167,257	167,257	
Purchased professional - educational services	800		800	800	
Other purchased services	691,815	(82,052)	609,763	587,973	21,790
General supplies	263,680	104,067	367,747	358,672	9,075
Textbooks	117,709	15,866	133,575	123,356	10,219
Other objects	2,475	445	2,920	2,115	805
Total regular programs - instruction	11,796,866	(103,704)	11,693,162	11,621,447	71,715
Special education - instruction:					
Learning and/or language disabilities:					
Salaries of teachers	276,696	3,715	280,411	280,342	69
Other salaries for instruction	319,006	(8,805)	310,201	310,201	
General supplies	1,650	13,323	14,973	14,973	
Total learning and/or language disabilities	597,352	8,233	605,585	605,516	69
Resource room/resource center:					
Salaries of teachers	2,089,457	284,875	2,374,332	2,343,949	30,383
Other salaries for instruction	28,220	128,450	156,670	154,551	2,119
General supplies	8,000	112	8,112	8,112	
Total resource room/resource center	2,125,677	413,437	2,539,114	2,506,612	32,502
Total special education - instruction	2,723,029	421,670	3,144,699	3,112,128	32,571

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Bilingual education - instruction:					
Salaries of teachers	\$ 124,182	\$ -	\$ 124,182	\$ 122,369	\$ 1,813
Purchased professional - educational services	400		400		400
General supplies	4,050	(1,803)	2,247	1,582	665
Textbooks	100		100		100
Total bilingual education - instruction	128,732	(1,803)	126,929	123,951	2,978
School sponsored cocurricular activities - instruction:					
Salaries	223,975	11,429	235,404	235,404	
Purchased services	7,550	2,921	10,471	10,471	
Supplies and materials	31,100	(563)	30,537	30,537	
Other objects	6,500	1,658	8,158	8,158	
Transfers to cover deficit (agency funds)	5,000	(5,000)			
Total school sponsored cocurricular activities - instruction	274,125	10,445	284,570	284,570	
School sponsored athletics - instruction:					
Salaries	733,535	(6,415)	727,120	727,120	
Purchased services	89,250	(86,227)	3,023	3,023	
Supplies and materials	91,990	11,642	103,632	93,427	10,205
Other objects	60,750	29,341	90,091	87,032	3,059
Transfers to cover deficit	103,707	(10,932)	92,775	82,476	10,299
Total school sponsored athletics - instruction	1,079,232	(62,591)	1,016,641	993,078	23,563
Other instructional programs - instruction:					
Purchased services		141	141	141	
Total other instructional programs - instruction		141	141	141	
Total - instruction	16,001,984	264,158	16,266,142	16,135,315	130,827

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs within the state-special	\$ 45,625	\$ 81,668	\$ 127,293	\$ 127,293	\$ -
Tuition to county vocational school-regular	696,304	152,196	848,500	843,344	5,156
Tuition to county vocational school districts-special	239,608	(122,905)	116,703	111,425	5,278
Tuition to county special services school districts and regional day schools	157,460	(27,715)	129,745	91,739	38,006
Tuition to private schools for the disabled within the state	1,513,898	(111,111)	1,402,787	1,078,727	324,060
Total undistributed expenditures - instruction	2,652,895	(27,867)	2,625,028	2,252,528	372,500
Attendance and social work services:					
Salaries	51,820		51,820	51,820	
Total attendance and social work services	51,820		51,820	51,820	
Health services:					
Salaries	160,912	4,442	165,354	165,354	
Purchased professional and technical services	15,000	5,000	20,000	15,000	5,000
Other purchased services	245	(199)	46	46	
Supplies and materials	4,200	23,594	27,794	3,705	24,089
Total health services	180,357	32,837	213,194	184,105	29,089
Speech, OT, PT & related services:					
Salaries	68,774	2,333	71,107	71,107	
Purchased professional - educational services		129,992	129,992	129,992	
Supplies and materials	525	(225)	300	300	
Total speech, OT, PT & related services	69,299	132,100	201,399	201,399	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Other support services - students - extraordinary:					
Salaries	\$ 80,007	\$ (48,938)	\$ 31,069	\$ 31,069	\$ -
Purchased professional - educational services		119,940	119,940	53,265	66,675
Total support services - students- extraordinary	80,007	71,002	151,009	84,334	66,675
Guidance:					
Salaries of other professional staff	872,119	111,516	983,635	973,068	10,567
Salaries of secretarial and clerical assistants	179,515	(6,148)	173,367	173,367	
Purchased professional - educational services	8,900	(1,175)	7,725	7,725	
Other purchased services	9,362	(2,247)	7,115	7,058	57
Supplies and materials	50,075	(10,232)	39,843	38,675	1,168
Other objects	2,290	(85)	2,205	2,205	
Total guidance	1,122,261	91,629	1,213,890	1,202,098	11,792
Child study teams:					
Salaries of other professional staff	721,741	(2,350)	719,391	719,118	273
Salaries of secretarial and clerical assistants	43,265	7,214	50,479	50,300	179
Purchased professional - educational services	181,000	(77,464)	103,536	98,661	4,875
Other purchased professional and technical services	35,000	(4,012)	30,988	30,988	
Other purchased services	4,950	(2,055)	2,895	2,127	768
Supplies and materials	4,600	13,949	18,549	18,398	151
Other objects	1,100	164	1,264	1,264	
Total child study teams	991,656	(64,554)	927,102	920,856	6,246

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Improvement of instruction services/ other support services - instructional staff:					
Salaries of supervisors of instruction	\$ 98,126	\$ 344,385	\$ 442,511	\$ 434,234	\$ 8,277
Purchased professional - educational services	5,500	(5,000)	500		500
Other purchased services	49,580	(5,183)	44,397	36,506	7,891
Supplies and materials	51,000	(15,503)	35,497	34,250	1,247
Other objects	750	2,950	3,700	3,700	
Total improvement of instruction services/ other support services - instructional staff	204,956	321,649	526,605	508,690	17,915
Educational media services/school library:					
Salaries	234,403	(11,400)	223,003	221,859	1,144
Purchased professional and technical services	1,300	(543)	757	757	
Other purchased services	28,800	(1,004)	27,796	27,375	421
Supplies and materials	27,591	236	27,827	26,510	1,317
Other objects	600	(273)	327	327	
Total educational media services/school library	292,694	(12,984)	279,710	276,828	2,882
Instructional staff training services:					
Salaries of other professional staff	330,048	(302,680)	27,368	27,368	
Salaries of secretarial and clerical assistants	58,657	(25,000)	33,657	32,816	841
Other salaries		28,227	28,227	28,227	
Purchased professional - educational services	35,000	(14,586)	20,414	15,854	4,560
Other purchased services	18,000	(4,746)	13,254	11,743	1,511
Supplies and materials	3,000	1,000	4,000	3,987	13
Other objects	3,000	(1,102)	1,898	1,898	
Total instructional staff training services	447,705	(318,887)	128,818	121,893	6,925

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Support services general administration:					
Salaries	\$ 349,113	\$ 46,734	\$ 395,847	\$ 395,847	\$ -
Legal services	66,000	(37,339)	28,661	28,661	
Audit fees	63,500	6,336	69,836	43,082	26,754
Architectural/engineering services		42,044	42,044	6,399	35,645
Communications/telephone	30,000	1,895	31,895	31,895	
Other purchased services	38,850	90,632	129,482	129,482	
General supplies	10,250	(3,086)	7,164	7,164	
Miscellaneous expenditures	20,000	14,421	34,421	34,421	
BOE membership dues and fees		14,434	14,434	14,434	
Total support services general administration	577,713	176,071	753,784	691,385	62,399
Support services school administration:					
Salaries of principals/assistant principals	818,921	(64,558)	754,363	744,488	9,875
Salaries of other professional staff	260,367	(82,178)	178,189	178,189	
Salaries of secretarial and clerical assistants	295,332	(25,446)	269,886	268,476	1,410
Unused vacation payment to terminated/retired staff		28,890	28,890	28,890	
Other purchased services	14,890	(3,712)	11,178	9,159	2,019
Supplies and materials	8,348	17,876	26,224	26,224	
Other objects	4,800	2,430	7,230	7,230	
Total support services school administration	1,402,658	(126,698)	1,275,960	1,262,656	13,304
Support services central services:					
Salaries	389,404	9,479	398,883	392,106	6,777
Purchased professional services	21,000	(9,620)	11,380	9,680	1,700
Miscellaneous purchased services	36,350	(24,275)	12,075	12,075	
Supplies and materials	50,000	45,003	95,003	95,003	
Miscellaneous expenditures	4,500	3,341	7,841	7,841	
Total support services central services	501,254	23,928	525,182	516,705	8,477

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Support services administrative information technology:					
Salaries	\$ 430,043	\$ (15,492)	\$ 414,551	\$ 319,546	\$ 95,005
Unused vacation payment to terminated/retired staff		40,352	40,352	40,352	
Purchased professional services	9,500	8,420	17,920	17,920	
Other purchased services	1,750	(1,750)			
Supplies and materials	120,000	(28,018)	91,982	90,764	1,218
Other objects	2,500	(1,155)	1,345	1,345	
Total support services administrative information technology	563,793	2,357	566,150	469,927	96,223
Required maintenance for school facilities:					
Salaries	393,712	18,907	412,619	412,619	
Cleaning, repair and maintenance services	210,922	277,268	488,190	285,995	202,195
Lead testing of drinking water		4,044	4,044	4,044	
General supplies	118,000	86,735	204,735	168,378	36,357
Other objects	1,700	2,124	3,824	3,824	
Total required maintenance for school facilities	724,334	389,078	1,113,412	874,860	238,552
Custodial Services:					
Salaries	587,956	9,059	597,015	596,994	21
Purchased professional and technical services	3,750	(3,750)			
Cleaning, repair and maintenance services	26,079	(760)	25,319	25,319	
Other purchased property services	61,000	(204)	60,796	60,796	
Insurance	162,000	17,315	179,315	179,315	
General supplies	90,100	(42,675)	47,425	47,425	
Energy (natural gas)	288,000	(114,964)	173,036	173,036	
Energy (electricity)	302,000	(22,658)	279,342	268,342	11,000
Energy (gasoline)	1,900	1,227	3,127	3,127	
Other objects	350	(350)			
Total custodial services	1,523,135	(157,760)	1,365,375	1,354,354	11,021

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Care and upkeep of grounds:					
Salaries	\$ 149,297	\$ (31,248)	\$ 118,049	\$ 118,049	\$ -
Purchased professional and technical services	36,000	674	36,674	36,674	
Cleaning, repair and maintenance services	32,000	94,280	126,280	54,510	71,770
General supplies	32,000	9,664	41,664	41,482	182
Other objects	600	(250)	350	350	
Total care and upkeep of grounds	249,897	73,120	323,017	251,065	71,952
Security:					
Salaries	95,928	604	96,532	96,532	
Cleaning, repair and maintenance services		163,811	163,811	163,811	
Total security	95,928	164,415	260,343	260,343	
Student transportation services:					
Salaries for pupil transportation (between home and school) - regular	29,100	2,427	31,527	31,527	
Management fees - ESC and CTSA transportation program	3,000	30,988	30,988	30,988	
Cleaning, repair and maintenance services		(3,000)			
Contracted services - aid in lieu of payments for non-public school students	53,000	27,314	80,314	80,314	
Contracted services (between home and school) - vendors	220,000	(15,096)	204,904	204,904	
Contracted services (other than between home and school) - vendors	151,900	48,416	200,316	171,724	28,592
Contracted services (between home and school) - joint agreements	24,000	9,663	33,663	33,663	
Contracted services (special education students) - vendors	270,000	150,578	420,578	411,313	9,265
Supplies and materials	4,000	(4,000)			
Total student transportation services	755,000	247,290	1,002,290	964,433	37,857

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Unallocated employee benefits:					
Social security contributions	\$ 380,255	\$ -	\$ 380,255	\$ 357,386	\$ 22,869
Other retirement contributions - PERS	395,250	51,902	447,152	446,061	1,091
Other retirement contributions - Regular		4,909	4,909	4,909	
Workmen's compensation	145,000	(34,393)	110,607	110,607	
Health benefits	5,426,002	(1,473,095)	3,952,907	3,397,552	555,355
Tuition reimbursement	24,000	4,697	28,697	8,697	20,000
Other employee benefits	43,545	(33,100)	10,445	10,445	
Unused sick payments to terminated/retired staff		32,252	32,252	10,000	22,252
Total unallocated employee benefits	6,414,052	(1,446,828)	4,967,224	4,345,657	621,567
On-behalf TPAF pension contribution (non-budgeted)				5,998,844	(5,998,844)
On-behalf TPAF - post retirement medical contributions (non-budgeted)				1,401,573	(1,401,573)
On-behalf TPAF - long-term disability insurance (non-budgeted)				1,577	(1,577)
Reimbursed TPAF social security contributions (non-budgeted)				1,195,971	(1,195,971)
Total undistributed expenditures	18,901,414	(430,102)	18,471,312	25,393,901	(6,922,589)
Total expenditures - current expense	34,903,398	(165,944)	34,737,454	41,529,216	(6,791,762)
CAPITAL OUTLAY:					
Equipment:					
Undistributed expenditures:					
Instruction		60,276	60,276	47,266	13,010
School sponsored and other instructional programs	21,562		21,562	21,562	
Custodial services		15,227	15,227	15,227	
Care and upkeep of grounds	8,429	173,830	182,259	69,676	112,583
Total equipment	29,991	249,333	279,324	153,731	125,593

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Facilities acquisition and construction services:					
Other purchased professional and technical services	\$ -	\$ 47,550	\$ 47,550	\$ 22,950	\$ 24,600
Construction services	350,000	5,019	355,019	341,212	13,807
Assessment for debt service on SDA funding	60,287		60,287	60,287	
Total facilities acquisition and construction services	410,287	52,569	462,856	424,449	38,407
Total capital outlay	440,278	301,902	742,180	578,180	164,000
Transfer of funds to charter schools	24,212		24,212	24,212	
Total expenditures	35,367,888	135,958	35,503,846	42,131,608	(6,627,762)
Excess (deficiency) of revenues over (under) expenditures	(799,232)	(135,958)	(935,190)	726,920	1,662,110
Fund balance - July 1,				4,603,773	
Fund balance - June 30	<u>\$ (799,232)</u>	<u>\$ (135,958)</u>	<u>\$ (935,190)</u>	<u>\$ 5,330,693</u>	<u>\$ 1,662,110</u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Restricted fund balance:					
Excess surplus:					
Prior year - designated for subsequent year's expenditures			\$	325,000	
Current year - reserved excess surplus				325,000	
Capital reserve:					
Designated for subsequent year's expenditures				1,008,888	
Capital reserve				1,186,430	
Maintenance reserve				382,712	
Unemployment compensation				238,655	
Committed Fund Balance:					
Year-end encumbrances				100,806	
Assigned Fund Balance:					
Year-end encumbrances				297,908	
Unassigned Fund Balance				<u>1,465,294</u>	
Total fund balance				5,330,693	
Reconciliation to Governmental Funds Statements (GAAP):					
State aid payments not recognized on GAAP basis				<u>(135,061)</u>	
Fund balance per Governmental Funds (GAAP)			\$	<u><u>5,195,632</u></u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

RIVER DELL REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
REVENUES:					
State sources	\$ 76,000	\$ 531,040	\$ 607,040	\$ 472,171	\$ (134,869)
Federal sources	375,000	1,118,835	1,493,835	861,213	(632,622)
Local sources	<u> </u>	<u>524,405</u>	<u>524,405</u>	<u>517,677</u>	<u>(6,728)</u>
Total revenues	<u>451,000</u>	<u>2,174,280</u>	<u>2,625,280</u>	<u>1,851,061</u>	<u>(774,219)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	300,000	(165,011)	134,989	53,595	81,394
Purchased professional - educational services		33,669	33,669	24,467	9,202
Purchased technical services	30,000	(30,000)			
Tuition		437,675	437,675	408,765	28,910
General supplies	1,000	210,929	211,929	88,782	123,147
Textbooks	<u>40,000</u>	<u>14,798</u>	<u>54,798</u>	<u>47,017</u>	<u>7,781</u>
Total instruction	<u>371,000</u>	<u>502,060</u>	<u>873,060</u>	<u>622,626</u>	<u>250,434</u>
Support services:					
Salaries of other professional staff	25,000	(5,970)	19,030	9,030	10,000
Purchased professional and technical services	45,000	166,980	211,980	32,986	178,994
Purchased professional educational services	10,000	392,772	402,772	324,125	78,647
Contracted transportation services		47,684	47,684	47,684	
Other purchased services		65,564	65,564	37,455	28,109
Supplies and materials		300,479	300,479	179,172	121,307
Scholarships awarded		67,108	67,108	67,108	
Student activities		<u>457,297</u>	<u>457,297</u>	<u>408,313</u>	<u>48,984</u>
Total support services	<u>80,000</u>	<u>1,491,914</u>	<u>1,571,914</u>	<u>1,105,873</u>	<u>466,041</u>
CAPITAL OUTLAY:					
Equipment					
Noninstructional equipment		<u>180,306</u>	<u>180,306</u>	<u>80,306</u>	<u>100,000</u>
Total equipment		<u>180,306</u>	<u>180,306</u>	<u>80,306</u>	<u>100,000</u>
Total expenditures/outflows	<u>451,000</u>	<u>2,174,280</u>	<u>2,625,280</u>	<u>1,808,805</u>	<u>816,475</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	42,256	42,256
Fund balance - July 1				<u>331,553</u>	
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 373,809</u>	<u>\$ 42,256</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION - PART II**

RIVER DELL REGIONAL SCHOOL DISTRICT
 Notes to Required Supplementary Information - Part II
 Budget-to-GAAP Reconciliation
 For the Fiscal Year Ended June 30, 2022

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

	General Fund	Special Revenue Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 42,858,528	\$ 1,851,061
Difference - budget to GAAP:		
State aid payments recognized for GAAP statements in the current year, previously recognized for budgetary purposes	89,699	
State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	<u>(135,061)</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 42,813,166</u>	<u>\$ 1,851,061</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	<u>\$ 42,131,608</u>	<u>\$ 1,808,805</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 42,131,608</u>	<u>\$ 1,808,805</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Public Employees Retirement System
 Last Nine Years *

	Fiscal Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.03808853%	0.03958683%	0.03945305%	0.03898770%	0.03911589%	0.03885290%	0.03798022%	0.03798022%	0.03745529%
District's proportionate share of the net pension liability	\$ 4,512,158	\$ 6,455,577	\$ 7,108,842	\$ 7,676,491	\$ 9,105,555	\$ 11,536,732	\$ 8,525,798	\$ 7,012,655	\$ 7,157,234
District's covered - employee payroll	\$ 2,751,832	\$ 2,783,591	\$ 2,697,158	\$ 2,707,057	\$ 2,685,561	\$ 2,568,911	\$ 2,549,096	\$ 2,554,913	\$ 2,527,709
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	163.97%	231.92%	263.57%	283.57%	339.06%	449.09%	334.46%	274.48%	283.15%
Plan fiduciary net position as a percentage of the total pension liability (local)	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

Note - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full ten year trend is compiled, the District will only present information for those years for which information is available.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of District Contributions
 Public Employees Retirement System
 Last Nine Years

	Fiscal Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 446,061	\$ 433,061	\$ 383,762	\$ 387,802	\$ 362,367	\$ 346,052	\$ 326,528	\$ 308,604	\$ 282,170
Contributions in relation to the contractually required contribution	(446,061)	(433,061)	(383,762)	(387,802)	(362,367)	(346,052)	(326,528)	(308,604)	(282,170)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 2,827,258	\$ 2,751,832	\$ 2,783,591	\$ 2,697,158	\$ 2,707,057	\$ 2,685,561	\$ 2,568,911	\$ 2,549,096	\$ 2,554,913
Contributions as a percentage of covered - employee payroll	15.78%	15.74%	13.79%	14.38%	13.39%	12.89%	12.71%	12.11%	11.04%

Note - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full ten year trend is compiled, the District will only present information for those years for which information is available.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund
 Last Nine Years *

	Fiscal Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportion of the net pension liability associated to the District **	0.14259516%	0.14204096%	0.14402676%	0.14051058%	0.14721230%	0.13740068%	0.13850838%	0.13707852%	0.13011658%
State's proportionate share of the net pension liability associated with the District **	\$ 68,552,892	\$ 93,532,266	\$ 88,390,581	\$ 89,389,810	\$ 99,255,840	\$ 108,088,129	\$ 87,543,211	\$ 73,264,007	\$ 65,759,897
District's covered - employee payroll	\$ 16,173,177	\$ 15,961,366	\$ 15,583,744	\$ 15,187,197	\$ 15,159,559	\$ 14,436,788	\$ 14,062,930	\$ 13,677,840	\$ 13,654,051
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll **	423.87%	585.99%	567.20%	588.59%	654.74%	748.70%	622.51%	535.64%	481.61%
Plan fiduciary net position as a percentage of the total pension liability (local)	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

** TPAF is a special funding situation defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the District (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the District.

Note - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full ten year trend is compiled, the District will only present information for those years for which information is available.

RIVER DELL REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contribution
Teachers' Pension and Annuity Fund
Last Nine Years

This schedule is not applicable.

The School District is not required to make any contribution towards TPAF.

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

Note - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full ten year trend is compiled, the District will only present information for those years for which information is available.

**SCHEDULES RELATED TO ACCOUNTING
AND REPORTING FOR PENSIONS AND POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Changes in the District's OPEB Liability and Related Ratios
 Last Five Years *

	Fiscal Year Ended June 30,				
	2022	2021	2020	2019	2018
Total OPEB liability:					
Service cost	\$ 3,275,532	\$ 1,832,217	\$ 1,778,117	\$ 2,042,212	\$ 2,464,085
Interest	1,642,533	1,566,956	1,911,247	2,039,531	1,756,751
Changes in benefit terms	(67,394)	-	-	-	-
Differences between expected and actual experience	(10,447,610)	11,558,294	(7,767,434)	(4,594,247)	
Changes of assumptions or other inputs	62,468	12,805,635	648,955	(5,536,950)	(7,227,961)
Member contributions	41,992	36,992	39,605	44,591	47,374
Benefit payments	<u>(1,293,856)</u>	<u>(1,220,457)</u>	<u>(1,336,075)</u>	<u>(1,290,193)</u>	<u>(1,286,546)</u>
Net change in total OPEB liability	(6,786,335)	26,579,637	(4,725,585)	(7,295,056)	(4,246,297)
Total OPEB liability - beginning	<u>70,104,236</u>	<u>43,524,599</u>	<u>48,250,184</u>	<u>55,545,240</u>	<u>59,791,537</u>
Total OPEB - ending	<u>\$ 63,317,901</u>	<u>\$ 70,104,236</u>	<u>\$ 43,524,599</u>	<u>\$ 48,250,184</u>	<u>\$ 55,545,240</u>
Covered employee payroll	<u>\$ 18,925,009</u>	<u>\$ 18,744,957</u>	<u>\$ 18,280,902</u>	<u>\$ 17,894,254</u>	<u>\$ 17,845,120</u>
Total OPEB liability as a percentage of covered employee payroll	335%	374%	238%	270%	311%

Notes to schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

* The amounts presented for the fiscal year were determined as of the previous fiscal year end.

Note - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full ten year trend is compiled, the District will only present information for those years for which information is available.

**NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION - PART III**

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of
District Contributions, and Schedule of Changes in the District's OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2022

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

There were none. The discount rate as of June 30, 2021 and 2020 was 7.00% in accordance with Paragraph 44 of GASB Statement No. 67.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.40% as of June 30, 2020 to 7.00% as of June 30, 2021 in accordance with Paragraph 44 of GASB Statement No. 67.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

RIVER DELL REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2022

	(Exhibit E-1a) Nonpublic Services	(Exhibit E-1b) E.S.E.A.	(Exhibit E-1c) I.D.E.A. Part B - Basic	(Exhibit E-1d) Other Federal Projects	Scholarship Fund	Student Activity Fund	Totals
REVENUES:							
State sources	\$ 472,171	\$ -	\$ -	\$ -	\$ -	\$ -	472,171
Federal sources		80,521	454,608	326,084			861,213
Local sources					60,380	457,297	517,677
Total revenues	472,171	80,521	454,608	326,084	60,380	457,297	1,851,061
EXPENDITURES:							
Instruction:							
Salaries of teachers		34,989		18,606			53,595
Purchased professional - educational services	359		24,108				24,467
Tuition			340,525	68,240			408,765
General supplies	20,261	12,044	40,507	15,970			88,782
Textbooks	47,017						47,017
Total instruction	67,637	47,033	405,140	102,816			622,626
Support services:							
Salaries of other professional staff				9,030			9,030
Purchased professional and technical services		27,488		5,498			32,986
Purchased professional educational services	308,615		15,510				324,125
Contracted transportation services				47,684			47,684
Other purchased services	95,919	5,000	32,455				37,455
Supplies and materials		1,000	1,503	80,750			179,172
Scholarships awarded					67,108		67,108
Student activities						408,313	408,313
Total support services	404,534	33,488	49,468	142,962	67,108	408,313	1,105,873
Facilities acquisition and construction services:							
Noninstructional equipment				80,306			80,306
Total facilities acquisition and construction services				80,306			80,306
Total expenditures	472,171	80,521	454,608	326,084	67,108	408,313	1,808,805
Excess (deficiency) of revenues over (under) expenditures					(6,728)	48,984	42,256
Fund balance - July 1					124,581	206,972	331,553
Fund balance - June 30	\$ -	\$ -	\$ -	\$ -	117,853	255,956	373,809

RIVER DELL REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 Nonpublic Services
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2022

	Auxiliary Services			Handicapped Services				Nursing	Totals		
	Compen- satory Education	English As A Second Language	Home Instruction	Supple- mental Instruction	Exam and Classifi- cation	Correc- tive Speech	Textbook			Security	Technology
REVENUES:											
State sources	\$ 54,554	\$ 1,827	\$ 359	\$ 65,750	\$ 77,173	\$ 11,904	\$ 47,017	\$ 95,919	\$ 20,261	\$ 97,407	\$ 472,171
EXPENDITURES:											
Instruction:											
Purchased professional - educational services			359								359
General supplies							47,017		20,261		20,261
Textbooks							47,017				47,017
Total instruction			359				47,017		20,261		67,637
Support services:											
Purchased professional educational services	54,554	1,827		65,750	77,173	11,904		95,919		97,407	308,615
Supplies and materials											95,919
Total support services	54,554	1,827		65,750	77,173	11,904		95,919		97,407	404,534
Total expenditures	54,554	1,827	359	65,750	77,173	11,904	47,017	95,919	20,261	97,407	472,171
Excess (deficiency) of revenues over (under) expenditures											
Fund balance - July 1											
Fund balance - June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RIVER DELL REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 E.S.E.A.

Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2022

	Title I Current Year	Title II Part A Current Year	Title III Current Year	Title III Immigrant Current Year	Title IV Part A Current Year	Title IV Part A Summer	Totals
REVENUES:							
Federal sources	\$ 36,413	\$ 17,018	\$ 9,405	\$ 2,939	\$ 10,000	\$ 4,746	\$ 80,521
EXPENDITURES:							
Instruction:							
Salaries of teachers	34,989						34,989
General supplies	1,424		7,681	2,939			12,044
Total instruction	36,413		7,681	2,939			47,033
Support services:							
Purchased professional and technical services		11,518	1,724		9,500	4,746	27,488
Other purchased services		5,000			500		5,000
Supplies and materials		500					1,000
Total support services		17,018	1,724		10,000	4,746	33,488
Total expenditures	36,413	17,018	9,405	2,939	10,000	4,746	80,521
Excess (deficiency) of revenues over (under) expenditures							
Fund balance - July 1							
Fund balance - June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RIVER DELL REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 I.D.E.A.
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2022

	Part B - Basic		ARP	Totals
	Current Year	Summer	IDEA Current Year	
REVENUES:				
Federal sources	\$ 353,126	\$ 19,593	\$ 81,889	\$ 454,608
EXPENDITURES:				
Instruction:				
Purchased professional - educational services	12,750	11,358		24,108
Tuition	258,636		81,889	340,525
General supplies	40,507			40,507
Total instruction	311,893	11,358	81,889	405,140
Support services:				
Purchased professional educational services	7,275	8,235		15,510
Other purchased services	32,455			32,455
Supplies and materials	1,503			1,503
Total support services	41,233	8,235		49,468
Total expenditures	353,126	19,593	81,889	454,608
Excess (deficiency) of revenues over (under) expenditures				
Fund balance - July 1				
Fund balance - June 30	\$ -	\$ -	\$ -	\$ -

RIVER DELL REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 Other Federal Projects
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2022

	CRRSA ESSER II	CRRSA Learning Acceleration	CRRSA Mental Health	CARES Act	ACRSERS	American Rescue Plan ESSER	Totals
REVENUES:							
Federal sources	\$ 140,775	\$ 25,000	\$ 24,104	\$ 12,050	\$ 115,924	\$ 8,231	\$ 326,084
EXPENDITURES:							
Instruction:							
Salaries of teachers			18,606				18,606
Tuition					68,240		68,240
General supplies		15,970					15,970
Total instruction		15,970	18,606		68,240		102,816
Support services:							
Salaries of other professional staff		9,030					9,030
Purchased professional and technical services			5,498				5,498
Contracted transportation services					47,684		47,684
Supplies and materials	60,469			12,050		8,231	80,750
Total support services	60,469	9,030	5,498	12,050	47,684	8,231	142,962
Facilities acquisition and construction services:							
Noninstructional equipment	80,306						80,306
Total facilities acquisition and construction services	80,306						80,306
Total expenditures	140,775	25,000	24,104	12,050	115,924	8,231	326,084
Excess (deficiency) of revenues over (under) expenditures							
Fund balance - July 1							
Fund balance - June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

At June 30, 2022, there was no Capital Projects Fund.

PROPRIETARY FUNDS DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District's board is that the costs of providing goods or services be financed through user charges.

Food Services Fund - This fund provides for the operation of food services in all schools within the District.

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5, AND B-6.

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds held in trust for others. At June 30, 2022, there were no Fiduciary Funds.

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the District. This includes serial bonds outstanding and obligations under capital leases.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Long-Term Debt
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2022

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2021	Issued	Retired	Balance June 30, 2022
Improvements to High School and (Refunded 2004 bonds maturing 3-1-2013 to 3-1-2024)	3/1/2013	\$ 11,750,000	3/1/2022	1,225,000	4.000%	\$ 3,660,000	\$ -	\$ 1,225,000	\$ 2,435,000
			3/1/2023	1,220,000	4.000%				
			3/1/2024	1,215,000	4.000%				
						<u>\$ 3,660,000</u>	<u>\$ -</u>	<u>\$ 1,225,000</u>	<u>\$ 2,435,000</u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Leases Payable
 For the Fiscal Year Ended June 30, 2022

Purpose	Date of Lease	Term of Lease	Original Amount of Lease	Interest Rate	Restated Balance July 1, 2021	Issued	Retired	Balance June 30, 2022
Computer equipment	4/30/2021	40 months	\$ 1,897,287	0.466%	\$ 1,897,287	\$ -	\$ 633,873	\$ 1,263,414
Postage meter	11/7/2018	60 months	18,285	0.466%	9,202		3,674	5,528
Copiers	7/1/2019	48 months	207,067	0.466%	104,016		51,948	52,068
					<u>\$ 2,010,505</u>	<u>\$ -</u>	<u>\$ 689,495</u>	<u>\$ 1,321,010</u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 Debt Service Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 1,371,400	\$ -	\$ 1,371,400	\$ 1,371,400	\$ -
Total revenues	<u>1,371,400</u>		<u>1,371,400</u>	<u>1,371,400</u>	
EXPENDITURES:					
Regular debt service:					
Interest	146,400		146,400	146,400	
Redemption of principal	<u>1,225,000</u>		<u>1,225,000</u>	<u>1,225,000</u>	
Total regular debt service	<u>1,371,400</u>		<u>1,371,400</u>	<u>1,371,400</u>	
Total expenditures	<u>1,371,400</u>		<u>1,371,400</u>	<u>1,371,400</u>	
Excess (deficiency) of revenues over (under) expenditures					
Fund balances - July 1					
Fund balances - June 30	\$ -	\$ -	\$ -	\$ -	\$ -

River Dell Regional School District Statistical Section (Unaudited)

<u>Contents</u>	<u>Page</u>
Financial Trends	96 - 102
<p>These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.</p>	
Revenue Capacity	103 - 108
<p>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.</p>	
Debt Capacity	109 - 112
<p>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	113 - 114
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</p>	
Operating Information	115 - 119
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</p>	

RIVER DELL REGIONAL SCHOOL DISTRICT
 Net Position by Component
 Last Ten Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 17,930,614	\$ 18,168,830	\$ 18,547,763	\$ 19,161,174	\$ 20,338,786	\$ 22,375,080	\$ 22,942,257	\$ 23,999,813	\$ 24,018,140	\$ 24,455,562
Restricted	1,597,794	1,820,577	2,638,746	3,343,091	2,890,079	2,007,997	2,277,972	2,352,626	3,514,048	4,239,208
Unrestricted (deficit)	(11,043)	(36,081)	(7,227,027)	(7,507,831)	(8,275,802)	(8,508,055)	(8,634,672)	(8,705,107)	(7,654,997)	(6,600,819)
Total governmental activities net position	19,517,365	19,953,326	13,959,482	14,996,434	14,953,063	15,875,022	16,585,557	17,647,332	19,877,191	22,093,951
Business-type activities:										
Investment in capital assets	21,175	17,577	20,896	23,036	26,376	23,377	20,570	17,763	14,956	12,149
Unrestricted	126,714	157,264	185,623	188,240	179,011	172,475	169,844	151,969	114,611	62,573
Total business-type activities net position	147,889	174,841	206,519	211,276	205,387	195,852	190,414	169,732	129,567	74,722
District-wide:										
Net investment in capital assets	17,951,789	18,186,407	18,568,659	19,184,210	20,365,162	22,398,457	22,962,827	24,017,576	24,033,096	24,467,711
Restricted	1,597,794	1,820,577	2,638,746	3,343,091	2,890,079	2,007,997	2,277,972	2,352,626	3,514,048	4,239,208
Unrestricted (deficit)	115,671	121,183	(7,041,404)	(7,319,591)	(8,096,791)	(8,335,580)	(8,464,828)	(8,553,138)	(7,540,386)	(6,538,246)
Total district-wide net position	\$ 19,665,254	\$ 20,128,167	\$ 14,166,001	\$ 15,207,710	\$ 15,158,450	\$ 16,070,874	\$ 16,775,971	\$ 17,817,064	\$ 20,006,758	\$ 22,168,673

Source: District Records

Notes: In accordance with GASB Statement No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the District adopted GASB Statement No.'s 68 and 71, which require the District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015, are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, which requires the District to record its payroll, payroll agency, unemployment insurance, scholarship and student activities balances and transactions in Governmental Activities. Balances prior to June 30, 2021, are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2022, the District adopted GASB Statement No. 87, which requires the District to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources based on the payment provisions of the contract. Balances prior to June 30, 2022, are shown as originally reported and have not been restated for this adoption.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Years
 (accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 13,276,084	\$ 13,371,099	\$ 15,065,413	\$ 16,251,252	\$ 18,298,276	\$ 19,496,422	\$ 18,926,916	\$ 18,136,898	\$ 19,859,743	\$ 17,295,816
Special education	2,664,478	2,663,190	3,033,805	3,216,839	3,883,411	4,142,556	3,925,629	4,047,586	4,523,072	4,565,934
Other special education	503,972	504,058	191,483	186,673	191,483	225,049	213,177	205,768	218,906	187,289
Other instruction	1,208,775	1,206,381	1,382,836	1,484,544	1,637,846	1,793,973	1,548,991	1,626,936	1,661,350	1,475,506
Support services:										
Tuition	2,311,184	2,145,846	1,903,647	1,740,530	1,957,898	1,616,681	2,369,872	2,408,113	2,738,107	2,661,293
Student and instruction related services	3,609,269	3,804,569	4,168,847	5,016,339	5,364,252	6,072,804	5,806,988	5,649,027	6,334,377	6,038,140
School administrative services	1,792,359	1,794,915	2,178,476	2,270,547	2,589,645	2,330,144	2,072,309	2,233,148	2,263,830	1,795,578
General administration services	583,681	638,662	620,491	676,975	744,649	770,125	692,285	711,326	724,422	854,525
Central services	634,643	611,285	652,087	710,641	781,464	829,420	856,300	781,518	798,437	649,612
Administrative information technology	611,822	592,653	775,753	704,657	812,455	863,202	630,818	589,273	750,843	567,337
Plant operations and maintenance	2,936,173	3,046,479	3,327,952	3,049,054	3,460,604	3,479,301	2,967,189	2,910,761	2,696,418	3,019,071
Pupil transportation	584,705	575,346	563,994	619,292	687,489	676,945	763,255	728,513	753,391	1,024,699
Charter schools						14,948	14,948	30,633	23,377	24,212
Interest on long-term debt	498,525	347,461	318,868	277,073	233,750	188,291	140,637	91,238	146,142	138,227
Unallocated depreciation	1,004,379	1,481,046	1,217,743	1,226,031	1,271,436	1,349,982	1,400,491	1,401,641	1,422,223	1,348,179
Total governmental activities expenses	<u>32,220,049</u>	<u>32,782,990</u>	<u>35,400,795</u>	<u>37,430,447</u>	<u>41,959,338</u>	<u>43,834,895</u>	<u>42,329,805</u>	<u>41,552,379</u>	<u>44,914,638</u>	<u>41,645,418</u>
Business-type activities:										
Food service	277,142	277,499	285,052	299,246	301,224	315,751	298,939	260,774	41,001	473,615
Total business-type activities expense	<u>277,142</u>	<u>277,499</u>	<u>285,052</u>	<u>299,246</u>	<u>301,224</u>	<u>315,751</u>	<u>298,939</u>	<u>260,774</u>	<u>41,001</u>	<u>473,615</u>
Total district expenses	<u>\$ 32,497,191</u>	<u>\$ 33,060,489</u>	<u>\$ 35,685,847</u>	<u>\$ 37,729,693</u>	<u>\$ 42,260,562</u>	<u>\$ 44,150,646</u>	<u>\$ 42,628,744</u>	<u>\$ 41,813,153</u>	<u>\$ 44,955,639</u>	<u>\$ 42,119,033</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
Instruction	\$ 530,210	\$ 598,055	\$ 490,519	\$ 550,608	\$ 534,515	\$ 597,813	\$ 445,596	\$ 503,960	\$ 344,488	\$ 321,876
Student and instruction related services	149,768	147,606	141,738	147,738	151,738	151,738	151,738	151,738	151,738	151,738
Plant operations and maintenance	12,381	19,939	15,195	18,420	13,533	5,600	7,162	245	3,325	2,108
Operating grants and contributions	3,889,169	3,384,411	5,928,163	7,350,331	10,141,447	12,425,036	9,917,850	8,808,039	12,307,932	8,815,358
Capital grants and contributions										80,306
Total governmental activities program revenues	<u>4,581,528</u>	<u>4,150,011</u>	<u>6,575,615</u>	<u>7,919,359</u>	<u>10,689,495</u>	<u>13,028,449</u>	<u>10,370,608</u>	<u>9,312,244</u>	<u>12,655,745</u>	<u>9,219,648</u>
Business-type activities:										
Charges for services:										
Food service	281,522	279,451	286,730	299,587	295,335	306,141	293,253	214,749	756	418,667
Total business type activities program revenues	<u>281,522</u>	<u>279,451</u>	<u>286,730</u>	<u>299,587</u>	<u>295,335</u>	<u>306,141</u>	<u>293,253</u>	<u>214,749</u>	<u>756</u>	<u>418,667</u>
Total district program revenues	<u>\$ 4,863,050</u>	<u>\$ 4,429,462</u>	<u>\$ 6,862,345</u>	<u>\$ 8,218,946</u>	<u>\$ 10,984,830</u>	<u>\$ 13,334,590</u>	<u>\$ 10,663,861</u>	<u>\$ 9,526,993</u>	<u>\$ 12,656,501</u>	<u>\$ 9,638,315</u>
Net (expense)/revenue:										
Governmental activities	\$ (27,638,521)	\$ (28,632,979)	\$ (28,825,180)	\$ (29,511,088)	\$ (31,269,843)	\$ (30,806,446)	\$ (31,959,197)	\$ (32,240,135)	\$ (32,258,893)	\$ (32,425,770)
Business-type activities	4,380	1,952	1,678	341	(5,889)	(9,610)	(5,886)	(46,025)	(40,245)	(54,948)
Total district-wide net expense	<u>\$ (27,634,141)</u>	<u>\$ (28,631,027)</u>	<u>\$ (28,823,502)</u>	<u>\$ (29,510,747)</u>	<u>\$ (31,275,732)</u>	<u>\$ (30,816,056)</u>	<u>\$ (31,964,883)</u>	<u>\$ (32,286,160)</u>	<u>\$ (32,299,138)</u>	<u>\$ (32,480,718)</u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Years
 (accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for:										
General purposes	\$ 26,016,756	\$ 26,920,714	\$ 27,786,252	\$ 28,341,977	\$ 28,908,817	\$ 29,486,993	\$ 30,391,456	\$ 30,999,285	\$ 31,619,271	\$ 32,061,793
Debt services	1,610,000	1,559,529	1,494,699	1,493,600	1,506,000	1,511,200	1,529,400	1,480,000	1,425,600	1,371,400
Unrestricted grants and contributions	650,725	634,225	639,418	632,191	705,784	669,466	677,843	771,142	858,269	1,186,329
Interest - capital reserve funds	36	61	315	736	1,741	2,870	7,000	9,043	1,884	1,845
Investment earnings	473	9,795	1,910	4,306	5,667	8,114	32,315	20,824	3,578	5,780
Miscellaneous income	369,698	127,559	95,975	79,646	98,463	49,762	31,718	46,616	40,073	15,393
Transfers	(30,000)	(25,000)	(30,000)	(4,416)				(25,000)		
Total governmental activities	28,617,688	29,226,883	29,988,569	30,548,040	31,226,472	31,728,405	32,669,732	33,301,910	33,948,675	34,642,530
Business-type activities:										
Investment earnings	30,000	25,000	30,000	4,416		75	248	343	80	103
Transfers								25,000		
Total business-type activities	30,000	25,000	30,000	4,416		75	248	25,343	80	103
Total district-wide	\$ 28,647,688	\$ 29,251,883	\$ 30,018,569	\$ 30,552,456	\$ 31,226,472	\$ 31,728,480	\$ 32,669,980	\$ 33,327,253	\$ 33,948,755	\$ 34,642,633
Change in net position:										
Governmental activities	\$ 979,167	\$ 593,904	\$ 1,163,389	\$ 1,036,952	\$ (43,371)	\$ 921,959	\$ 710,535	\$ 1,061,775	\$ 1,689,782	\$ 2,216,760
Business-type activities	34,380	26,952	31,678	4,757	(5,869)	(9,535)	(5,438)	(20,682)	(40,165)	(54,845)
Total district	\$ 1,013,547	\$ 620,856	\$ 1,195,067	\$ 1,041,709	\$ (49,260)	\$ 912,424	\$ 705,097	\$ 1,041,093	\$ 1,649,617	\$ 2,161,915

Source: District Records

Notes: Certain reclassifications have been made to prior years' presentation to conform with current year presentation.

In accordance with GASB Statement No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the District adopted GASB Statements No.'s 68 and 71, which require the District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015, are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2018, the District adopted GASB Statement No. 75, which required the District to record its proportionate share of the net OPEB expenses and related revenue in the government-wide financial statements. Balances prior to June 30, 2018, are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, which requires the District to record its payroll, payroll agency, unemployment insurance, scholarship and student activities balances and transactions in Governmental Activities. Balances prior to June 30, 2021, are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2022, the District adopted GASB Statement No. 87, which requires the District to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources based on the payment provisions of the contract. Balances prior to June 30, 2022, are shown as originally reported and have not been restated for this adoption.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Fund Balances - Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund:										
Restricted	\$ 1,417,577	\$ 1,660,671	\$ 2,526,405	\$ 3,135,753	\$ 2,802,374	\$ 1,962,054	\$ 2,238,792	\$ 2,247,387	\$ 3,049,220	\$ 3,466,685
Committed	62,250	149,605		176,718	83,260	44,547	33,000	58,000	72,738	100,806
Assigned	107,666		112,341	30,620	4,445	1,396	6,180	47,239	60,537	297,908
Unassigned	522,821	543,151	531,033	535,853	579,048	598,665	586,266	582,165	1,331,579	1,330,233
Total general fund	\$ 2,110,314	\$ 2,353,427	\$ 3,169,779	\$ 3,878,944	\$ 3,469,127	\$ 2,606,662	\$ 2,864,238	\$ 2,934,791	\$ 4,514,074	\$ 5,195,632
All other governmental funds:										
Unreserved, reported in:										
Capital projects fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service fund		10,301								
Restricted	52,942								331,553	373,809
Total all other governmental funds	\$ 52,942	\$ 10,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 331,553	\$ 373,809

Source: District Records

Notes: For the fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, which requires the District to record its payroll, payroll agency, and unemployment insurance balances and transactions in the General Fund, and its scholarship and student activities balances and transactions in the Special Revenue Funds. Balances prior to June 30, 2021, are shown as originally reported and have not been restated for this adoption.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Tax levy	\$ 27,626,756	\$ 28,480,243	\$ 29,280,951	\$ 29,835,577	\$ 30,414,817	\$ 30,998,193	\$ 31,920,856	\$ 32,479,285	\$ 33,044,871	\$ 33,433,183
Tuition charges	425,986	498,924	407,008	443,902	401,426	477,670	338,347	390,957	267,474	212,640
Interest earnings	509	9,856	2,225	5,042	7,408	10,984	39,315	29,867	5,462	7,625
Miscellaneous	486,303	246,629	194,681	204,772	245,085	177,505	147,129	159,884	341,873	644,414
State sources	3,994,978	3,531,281	4,070,186	4,520,158	5,322,046	5,802,096	6,837,171	7,186,616	8,648,428	10,876,552
Federal sources	544,916	487,355	492,694	527,040	442,138	439,379	478,954	443,209	601,215	861,213
Total revenue	33,079,448	33,254,288	34,447,745	35,536,491	36,832,920	37,905,827	39,761,672	40,689,798	42,909,323	46,035,627
Expenditures:										
Instruction:										
Regular instruction	10,017,899	10,257,519	10,536,627	10,726,852	11,079,967	10,979,823	11,480,460	11,396,190	11,628,474	11,835,308
Special education instruction	1,943,071	1,985,117	2,041,673	2,020,032	2,215,028	2,213,959	2,265,987	2,442,593	2,543,920	3,112,128
Other special instruction	368,613	377,500	130,130	119,008	136,625	120,888	123,564	124,700	122,064	123,951
Other instruction	962,758	975,464	1,039,250	1,053,535	1,081,983	1,111,531	1,150,125	1,252,107	1,243,598	1,277,789
Support services:										
Tuition	2,311,184	2,145,846	1,903,647	1,740,530	1,957,898	1,616,681	2,369,872	2,408,113	2,738,107	2,661,293
Student and instruction related services	2,684,709	2,861,472	2,965,208	3,548,885	3,371,545	3,681,724	3,761,954	3,787,001	4,157,637	4,610,212
School administrative services	1,292,915	1,315,391	1,468,607	1,436,437	1,470,271	1,262,361	1,257,628	1,400,750	1,362,156	1,262,656
General administration services	454,031	513,505	461,121	487,529	486,487	488,324	467,719	513,715	505,748	691,385
Central services	485,992	488,612	473,056	497,024	493,227	504,971	607,353	550,677	541,409	516,705
Administrative information technology services	481,367	470,723	557,582	467,762	529,216	516,556	432,149	405,861	536,910	469,927
Plant operations and maintenance	2,413,675	2,499,986	2,749,630	2,449,096	2,472,833	2,599,078	2,382,721	2,441,285	2,206,813	2,740,622
Pupil transportation	570,739	560,773	548,442	601,649	658,192	650,797	745,665	725,241	740,430	1,012,117
Employee benefits	6,554,723	6,335,053	6,807,565	7,544,049	8,591,937	9,431,943	10,319,403	10,548,701	11,585,052	12,943,622
Capital outlay	732,049	659,685	424,156	636,922	1,191,528	2,078,756	595,148	1,086,678	177,269	658,486
Transfer of funds to charter schools							14,948	30,633	23,377	24,212
Debt service:										
Principal	1,040,000	1,080,000	1,035,000	1,065,000	1,120,000	1,170,000	1,235,000	1,235,000	1,230,000	1,225,000
Interest and other charges	570,235	479,529	470,000	428,600	386,000	341,200	294,400	245,000	195,600	146,400
Advance to refunding escrow	1,115,640									
Bond issuance costs	127,764									
Total expenditures	34,127,364	32,986,175	33,611,694	34,822,910	37,242,737	38,768,292	39,504,096	40,594,245	41,538,564	45,311,813

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Excess (deficiency) of revenues over (under) expenditures	\$ (1,047,916)	\$ 268,113	\$ 836,051	\$ 713,581	\$ (409,817)	\$ (862,465)	\$ 257,576	\$ 95,553	\$ 1,370,759	\$ 723,814
Other financing sources (uses):										
Proceeds from refunding	11,750,000									
Payments to escrow agent	(12,008,778)									
Premium on bonds issued	1,512,718									
Transfers in	(30,000)	(25,000)	(30,000)	(4,416)				(25,000)		
Transfers out										
Total other financing sources (uses)	1,223,940	(25,000)	(30,000)	(4,416)				(25,000)		
Net change in fund balances	\$ 176,024	\$ 243,113	\$ 806,051	\$ 709,165	\$ (409,817)	\$ (862,465)	\$ 257,576	\$ 70,553	\$ 1,370,759	\$ 723,814
Debt service as a percentage of noncapital expenditures	4.82%	4.82%	4.53%	4.37%	4.18%	4.12%	3.93%	3.75%	3.45%	3.07%

Source: District Records

Notes: Certain reclassifications have been made to prior years' presentation to conform with current year presentation.

Noncapital expenditures are total expenditures less capital outlay.

For the fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, which requires the District to record its payroll, payroll agency, and unemployment insurance balances and transactions in the General Fund, and its scholarship and

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund - Other Local Revenue By Source
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Miscellaneous - unrestricted:										
Interest on investments	\$ 473	\$ 9,795	\$ 1,910	\$ 4,306	\$ 5,667	\$ 8,114	\$ 32,315	\$ 20,824	\$ 3,311	\$ 5,584
Student activity fees	87,570	84,210	64,985	86,885	114,755	102,753	89,806	92,113	77,014	88,515
Rentals	12,381	19,939	15,195	18,420	13,533	5,600	7,162	245	3,325	2,108
Prior year's refunds	28,597	16,879	15,637	14,673	21,342	5,177	8,000	5,769	29,388	10,506
Miscellaneous unrestricted	6,011	5,221	5,763	6,632	12,711	14,160	14,558	40,847	7,635	4,887
Total Miscellaneous - unrestricted	135,032	136,044	103,490	130,916	168,008	135,804	151,841	159,798	120,673	111,600
Miscellaneous - restricted:										
Interest on unemployment insurance trust funds	19,880	20,142	21,158	22,061	23,107	30,425	9,160	20,890	3,050	20,721
Reimbursement of counselor and other costs	31,884	35,572	26,855	36,280	41,303	17,390	17,443			
Utility rebates	16,654	14,921	18,526	19,821	18,334					
Athletic receipts	14,231	24,745	26,562							
Miscellaneous restricted	82,649	95,380	93,101	78,162	82,744	47,815	26,603	20,890	3,317	20,917
Total Miscellaneous - restricted	217,681	231,424	196,591	209,078	250,752	183,619	178,444	180,688	123,990	132,517
Interest on capital reserve funds	36	61	315	736	1,741	2,870	7,000	9,043	1,884	1,845
Tuition	425,986	498,924	407,008	443,902	401,426	477,670	338,347	390,957	267,474	212,640
Total General Fund	\$ 643,703	\$ 730,409	\$ 603,914	\$ 653,716	\$ 653,919	\$ 664,159	\$ 523,791	\$ 580,688	\$ 393,348	\$ 347,002

Source: District Records

RIVER DELL REGIONAL SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years
Unaudited

Fiscal Year Ended December 31,	Borough of Oradell					Memo Only Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
	Vacant Land	Residential	Industrial/Commercial	Apartment	Total Assessed Value			
2013	\$ 3,565,500	\$ 1,242,733,700	\$ 193,823,300	\$ 7,298,700	\$ 1,447,421,200	\$ 146,988,500	\$ 1,571,313,680	\$ 0.976
2014	3,565,500	1,246,404,200	189,737,100	7,298,700	1,447,005,500	146,750,100	1,630,493,967	0.993
2015	3,565,500	1,248,969,400	187,018,800	7,325,200	1,446,878,900	146,750,100	1,645,169,703	1.066
2016	3,622,100	1,250,345,100	186,327,100	7,325,200	1,447,619,500	147,099,800	1,717,435,009	1.074
2017	3,229,300	1,414,167,200	210,872,100	8,484,500	1,636,753,100	152,934,100	1,686,217,246	0.958
2018	2,515,600	1,439,519,000	211,847,800	9,238,100	1,663,120,500	159,529,100	1,750,681,475	0.987
2019	2,820,000	1,449,748,800	212,150,000	9,417,200	1,674,136,000	158,665,600	1,783,998,149	0.997
2020	3,470,500	1,480,325,100	205,642,100	9,831,400	1,699,269,100	161,502,900	1,750,018,181	0.953
2021	3,491,500	1,496,005,200	201,285,300	11,052,600	1,711,834,600	161,616,200	1,713,528,557	0.958
2022	3,913,700	1,578,976,600	208,680,500	13,435,000	1,805,005,800	165,267,500	1,806,706,071	0.905

Fiscal Year Ended December 31,	Borough of River Edge					Memo Only Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
	Vacant Land	Residential	Industrial/Commercial	Apartment	Total Assessed Value			
2013	\$ 7,651,800	\$ 1,230,141,600	\$ 112,365,300	\$ 79,154,600	\$ 1,429,313,300	\$ 135,636,000	\$ 1,650,484,645	\$ 1.001
2014	3,019,800	1,230,540,199	118,410,100	77,829,700	1,429,799,799	135,357,100	1,680,254,978	1.039
2015	3,035,800	1,237,865,699	120,292,100	76,839,700	1,438,033,299	136,292,300	1,652,674,244	0.999
2016	2,533,300	1,245,022,199	123,252,100	76,839,700	1,447,647,299	136,292,300	1,687,677,142	1.023
2017	2,533,300	1,247,329,199	123,952,600	76,787,900	1,450,602,999	136,292,300	1,706,636,057	1.052
2018	2,742,900	1,250,423,299	124,576,100	76,737,900	1,454,480,199	136,691,200	1,775,381,937	1.062
2019	2,056,800	1,259,335,899	123,522,200	76,737,900	1,461,652,799	136,691,200	1,853,854,418	1.077
2020	1,926,000	1,274,472,399	123,821,000	76,737,900	1,476,957,299	136,691,200	1,950,932,269	1.136
2021	1,926,000	1,277,917,699	123,210,600	76,987,900	1,480,042,199	136,793,100	1,484,586,701	1.146
2022	2,340,400	1,265,740,399	123,284,600	90,997,900	1,482,363,299	136,961,600	1,486,830,726	1.185

Source: Municipal Tax Assessor and Abstract of Ratables, County Board of Taxation.

Notes: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when 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.

c - Borough undertook a revaluation of real property.

d - Borough performed a reassessment of real property.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Years
 (rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30,	River Dell Regional School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct School	Borough of Oradell	Local School District	County of Bergen	
2012	\$ 0.763	\$ 0.055	\$ 0.818	\$ 0.652	\$ 0.642	\$ 0.235	\$ 2.347
2013	0.923	0.053	0.976	0.770	0.728	0.249	2.723
2014	c 0.940	0.053	0.993	0.862	0.747	0.273	2.875
2015	1.015	0.051	1.066	0.812	0.762	0.271	2.911
2016	1.021	0.053	1.074	0.836	0.775	0.291	2.976
2017	0.911	0.047	0.958	0.766	0.720	0.258	2.702
2018	d 0.941	0.046	0.987	0.781	0.720	0.257	2.745
2019	0.940	0.047	0.987	0.797	0.732	0.260	2.776
2020	0.907	0.046	0.953	0.816	0.741	0.253	2.763
2021	0.915	0.043	0.958	0.830	0.748	0.259	2.795
2022	0.864	0.041	0.905	0.806	0.724	0.239	2.674

Source: Municipal Tax Collector

Notes: 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.

- a - The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
- b - Rates for debt service are based on each year's requirements.
- c - Borough undertook a revaluation of real property.
- d - Borough performed a reassessment of real property.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Years
 (rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30,	River Dell Regional School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct School	Borough of River Edge	Local School District	County of Bergen	
2012	\$ 0.930	\$ 0.068	\$ 0.998	\$ 0.816	\$ 1.006	\$ 0.245	\$ 3.065
2013	^c 0.943	0.058	1.001	0.842	1.025	0.264	3.132
2014	0.984	0.055	1.039	0.862	1.049	0.273	3.223
2015	0.946	0.053	0.999	0.868	1.075	0.275	3.217
2016	0.973	0.050	1.023	0.880	1.097	0.286	3.286
2017	1.001	0.051	1.052	0.885	1.121	0.304	3.362
2018	1.011	0.051	1.062	0.897	1.138	0.298	3.395
2019	1.026	0.051	1.077	0.919	1.154	0.318	3.468
2020	1.090	0.046	1.136	0.933	1.164	0.337	3.570
2021	1.103	0.043	1.146	0.965	1.182	0.333	3.626
2022	1.144	0.041	1.185	0.995	1.198	0.322	3.700

Source: Municipal Tax Collector

Notes: 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.

a - The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.

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

c - Borough undertook a revaluation of real property.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Principal Property Taxpayers
 Current Year and Nine Years Ago
 Unaudited

Taxpayer	Borough of Oradell					
	2022		2013			
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Hajjar Medical Office Bldg of Kinderkamack	\$ 20,815,800	1	1.15%	\$		
600 Kinderkamack Road, LLC	17,509,800	2	0.97%		3	1.09%
Dabby Bergen Medi Pro LLC Etals	12,050,200	3	0.67%			
RW Oradell LLC	12,015,800	4	0.67%			
White Beeches Golf & County Club Inc	7,544,500	5	0.42%	6,171,000	9	0.43%
Holy Name Real Estate Corp	7,534,600	6	0.42%	5,733,500	10	0.40%
Public Service Electric & Gas Co.	6,404,400	7	0.35%	8,808,600	7	0.61%
Huntington Properties L.L.C.	6,396,500	8	0.35%			
Hackensack Golf Club	6,225,100	9	0.34%			
HMOB of Oradell Owner LLC	6,184,800	10	0.34%			
Cranston Associates				17,778,300	2	1.23%
Kamack Realty Corp.				8,579,800	5	0.60%
Rio Vista Properties, LLC				18,618,500	1	1.28%
Rio Vista Properties 690, LLC				9,897,000	4	0.68%
Emerson Real Estate, LLC				7,547,500	6	0.52%
Oradell Office Plaza, L.L.C.				6,499,700	8	0.45%
Total	\$ 102,681,500		5.68%	\$ 105,419,800		7.29%

Source: Municipal Tax Assessor

RIVER DELL REGIONAL SCHOOL DISTRICT
 Principal Property Taxpayers
 Current Year and Nine Years Ago
 Unaudited

Taxpayer	Borough of River Edge					
	2022			2013		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
River Terrace Gardens Assoc., LLC	\$ 21,816,700	1	1.47%	\$ 22,816,700	1	1.59%
River Edge Associates	19,446,100	2	1.31%	19,446,100	2	1.36%
Route 4 - Main Street, LLC	14,402,000	3	0.97%	4,632,000	9	0.32%
New Bridge Landing Apartments LLC	14,000,000	4	0.94%			
Extra Space Storage, Inc.	9,844,800	5	0.66%			
Gainesborough COOP Corp.	8,860,000	6	0.59%	9,590,000	4	0.67%
First Real Estate Investment Trust of NJ	8,475,900	7	0.57%	8,475,900	5	0.59%
Grand Four Associates	6,648,900	8	0.45%	7,755,900	6	0.54%
Milpau, LLC	5,427,200	9	0.36%	5,323,100	7	0.37%
River Terr Gdhs Assoc - R E Gardens	4,596,200	10	0.31%	4,596,200	10	0.34%
Verizon - New Jersey				4,948,498	8	0.35%
East Coast Storage				9,844,800	3	0.69%
Total	\$ 113,517,800		7.63%	\$ 97,429,198		6.82%

Source: Municipal Tax Assessor

RIVER DELL REGIONAL SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Years
 Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 27,626,756	\$ 27,626,756	100.00%	\$
2014	28,480,243	28,480,243	100.00%	
2015	29,280,951	29,280,951	100.00%	
2016	29,835,577	29,835,577	100.00%	
2017	30,414,817	30,414,817	100.00%	
2018	30,998,193	30,998,193	100.00%	
2019	31,920,856	31,920,856	100.00%	
2020	32,479,285	32,479,285	100.00%	
2021	33,044,871	33,044,871	100.00%	
2022	33,433,183	33,433,183	100.00%	

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

Notes: 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.

RIVER DELL REGIONAL SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Years
Unaudited

Borough of Oradell

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Lease Liabilities			
2013	\$ 6,171,394	\$	\$ 6,171,394	1.06%	\$ 764
2014	5,830,615		5,830,615	0.97%	721
2015	5,261,446		5,261,446	0.83%	649
2016	4,992,503		4,992,503	0.77%	614
2017	4,362,224		4,362,224	0.65%	534
2018	3,726,417		3,726,417	0.53%	457
2019	3,151,632		3,151,632	0.43%	388
2020	2,440,393		2,440,393	0.33%	302
2021	1,791,716		1,791,716	N/A	219
2022	1,196,161		1,196,161	N/A	146

Borough of River Edge

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Lease Liabilities			
2013	\$ 6,658,606	\$	\$ 6,658,606	0.81%	\$ 580
2014	5,919,385		5,919,385	0.69%	515
2015	5,453,554		5,453,554	0.61%	473
2016	4,657,497		4,657,497	0.51%	405
2017	4,167,776		4,167,776	0.44%	362
2018	3,633,583		3,633,583	0.37%	316
2019	2,973,368		2,973,368	0.29%	260
2020	2,449,607		2,449,607	0.23%	212
2021	1,868,284		1,868,284	N/A	156
2022	1,238,839		1,238,839	N/A	103

Source: District Records

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

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

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten Years
Unaudited

Borough of Oradell

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value Property ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 6,171,394	\$	\$ 6,171,394	0.43%	764
2014	5,830,615		5,830,615	0.40%	721
2015	5,261,446		5,261,446	0.36%	649
2016	4,992,503		4,992,503	0.34%	614
2017	4,362,224		4,362,224	0.27%	534
2018	3,726,417		3,726,417	0.22%	457
2019	3,151,632		3,151,632	0.19%	388
2020	2,440,393		2,440,393	0.14%	302
2021	1,791,716		1,791,716	0.10%	219
2022	1,196,161		1,196,161	0.07%	146

Borough of River Edge

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value Property ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 6,658,606	\$	\$ 6,658,606	0.46%	580
2014	5,919,385		5,919,385	0.41%	515
2015	5,453,554		5,453,554	0.38%	473
2016	4,657,497		4,657,497	0.32%	405
2017	4,167,776		4,167,776	0.29%	362
2018	3,633,583		3,633,583	0.25%	316
2019	2,973,368		2,973,368	0.20%	260
2020	2,449,607		2,449,607	0.17%	212
2021	1,868,284		1,868,284	0.13%	156
2022	1,238,839		1,238,839	0.08%	103

Source: District Records

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

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

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2021
Unaudited

<u>Governmental Unit</u>		<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes				
Municipality:				
Borough of Oradell	(1)	\$ 18,367,350	100%	\$ 18,367,350
Borough of River Edge	(1)	14,323,386	100%	14,323,386
Local School Districts:				
Borough of Oradell	(1)	1,700,000	100%	1,700,000
Borough of River Edge	(1)	12,225,000	100%	12,225,000
Other debt				
County of Bergen - Borough of Oradell's share	(2);(A)	N/A	N/A	
County of Bergen - Borough of River Edge's share	(2);(A)	N/A	N/A	
Subtotal, overlapping debt				46,615,736
River Dell Regional School District Direct Debt				3,660,000
Total direct and overlapping debt				\$ 50,275,736

Sources: (1) Municipal Chief Financial Officer

(A) The debt for this entity was apportioned to the Boroughs of Oradell and River Edge by applying the Municipality-to-County Net Valuation on which County taxes are apportioned for Bergen County.

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 Oradell and River Edge. This process recognizes 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.

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2022

December 31, Year	Borough of River Edge		Borough of Oradell		Combined Equalized Valuation Basis	
	Valuation Basis	Equalized	Valuation Basis	Equalized	Valuation Basis	Equalized
2021	\$ 1,976,552,082	\$	1,890,485,478	\$	3,867,037,560	
2020	1,955,198,966		1,808,695,157		3,763,894,123	
2019	1,923,480,457		1,790,902,867		3,714,383,324	
			[A]		<u>\$ 11,345,315,007</u>	

Average equalized valuation of taxable property [A/3] \$ 3,781,771,669

Debt limit (3.5 % of average equalization value) [B] 132,362,008 ^a
 Total Net Debt Applicable to Limit [C] 2,435,000
 Legal debt margin [B-C] \$ 129,927,008

Fiscal Year Ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 121,591,435	\$ 118,221,834	\$ 115,587,616	\$ 116,173,754	\$ 117,587,503	\$ 121,278,237	\$ 125,222,522	\$ 128,203,080	\$ 130,641,934	\$ 132,362,008
Total net debt applicable to limit	12,830,000	11,750,000	10,715,000	9,650,000	8,530,000	7,360,000	6,125,000	4,890,000	3,660,000	2,435,000
Legal debt margin	<u>\$ 108,761,435</u>	<u>\$ 106,471,834</u>	<u>\$ 104,872,616</u>	<u>\$ 106,523,754</u>	<u>\$ 109,057,503</u>	<u>\$ 113,918,237</u>	<u>\$ 119,097,522</u>	<u>\$ 123,313,080</u>	<u>\$ 126,981,934</u>	<u>\$ 129,927,008</u>
Total net debt applicable to the limit as a percentage of debt limit	10.55%	9.94%	9.27%	8.31%	7.25%	6.07%	4.89%	3.81%	2.80%	1.84%

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 NhSA 18A:24-19 for a K through 12 district; other percentage limits would be applicable for other district types.

RIVER DELL REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Years
Unaudited

Borough of Oradell					
Year	Population ^{a (1)}	Personal Income ^b	Per Capita Personal Income ^{c (2)}	Unemployment Rate ^d	
2013	8,083	\$ 579,543,017	\$ 71,699	4.70%	
2014	8,089	602,468,720	74,480	4.20%	
2015	8,113	630,923,671	77,767	3.50%	
2016	8,125	645,181,875	79,407	3.10%	
2017	8,174	667,619,624	81,676	3.30%	
2018	8,160	705,056,640	86,404	2.70%	
2019	8,132	727,456,192	89,456	2.10%	
2020	8,094	744,421,368	91,972	6.80%	
2021	8,181	N/A	N/A	4.20%	
2022	8,181 ⁽³⁾	N/A	N/A	N/A	

Borough of River Edge					
Year	Population ^{a (1)}	Personal Income ^b	Per Capita Personal Income ^{c (2)}	Unemployment Rate ^d	
2013	11,481	\$ 823,176,219	\$ 71,699	6.60%	
2014	11,491	855,849,680	74,480	4.60%	
2015	11,518	895,720,306	77,767	3.60%	
2016	11,513	914,212,791	79,407	3.40%	
2017	11,526	941,397,576	81,676	3.30%	
2018	11,484	992,263,536	86,404	2.80%	
2019	11,436	1,023,018,816	89,456	2.50%	
2020	11,563	1,063,472,236	91,972	8.40%	
2021	12,009	N/A	N/A	5.30%	
2022	12,009 ⁽³⁾	N/A	N/A	N/A	

Source:

- a - Population information provided by the US Bureau of the Census, Population Division
- b - Personal income has been estimated based upon the municipal population and per capita personal income presented
- c - US Bureau of Economic Analysis per capita personal income for New Jersey by county
- d - Unemployment data provided by the NJ Dept of Labor and Workforce Development

Notes:

- (1) Represents estimate as of July 1
- (2) Represents county information vs. municipality.
- (3) Estimated

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Principal Employers
 Current Year and Nine Years Ago
 Unaudited

Borough of Oradell						
Employer	2022			2013		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
	N/A	1	N/A	N/A	1	N/A
	N/A	2	N/A	N/A	2	N/A
	N/A	3	N/A	N/A	3	N/A
	N/A	4	N/A	N/A	4	N/A
	N/A	5	N/A	N/A	5	N/A
	N/A	6	N/A	N/A	6	N/A
	N/A	7	N/A	N/A	7	N/A
	N/A	8	N/A	N/A	8	N/A
	N/A	9	N/A	N/A	9	N/A
	N/A	10	N/A	N/A	10	N/A
	-		-	-		-

Borough of River Edge						
Employer	2022			2013		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
	N/A	1	N/A	N/A	1	N/A
	N/A	2	N/A	N/A	2	N/A
	N/A	3	N/A	N/A	3	N/A
	N/A	4	N/A	N/A	4	N/A
	N/A	5	N/A	N/A	5	N/A
	N/A	6	N/A	N/A	6	N/A
	N/A	7	N/A	N/A	7	N/A
	N/A	8	N/A	N/A	8	N/A
	N/A	9	N/A	N/A	9	N/A
	N/A	10	N/A	N/A	10	N/A
	-		-	-		-

Source: Borough of Oradell, Borough of River Dell and State of New Jersey Department of Labor and Industry Annual Labor Force Estimates by Municipality.

N/A - At the time of AFFR completion, this data was not yet available.

RIVER DELL REGIONAL SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

Function/Program	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instruction	112.9	110.4	111.2	113.4	114.5	116.8	117.5	119.5	121.5	122.0
Regular	27.6	29.2	29.0	30.2	31.0	30.5	30.5	31.0	32.0	32.0
Special education										
Support Services:										
Student & instruction related services	33.0	36.0	36.0	37.5	37.0	38.0	37.5	38.0	38.0	38.0
General administration	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	3.0
School administrative services	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Central services	5.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Administrative information technology	4.0	4.0	4.0	4.5	4.0	4.0	4.0	3.0	4.0	5.0
Plant operations and maintenance	19.0	21.0	22.0	22.0	21.0	22.0	23.0	22.0	22.0	22.0
Pupil transportation	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	215.5	218.6	220.2	225.6	225.5	229.3	229.5	230.5	234.5	237.0

Source: District personnel records

RIVER DELL REGIONAL SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Middle School	Senior High School					
2013	1,649	\$ 30,541,676	\$ 18,521	8.37%	123.4	1:16	1:15	1,650.5	1,579.7	-0.99%	95.71%	
2014	1,651	30,766,961	18,635	0.62%	125.7	1:15	1:14	1,661.7	1,593.9	0.68%	95.92%	
2015	1,665	31,682,538	19,029	2.11%	125.2	1:15	1:14	1,669.1	1,599.6	0.45%	95.84%	
2016	1,645	32,692,388	19,874	4.44%	126.3	1:16	1:15	1,644.0	1,577.0	-1.50%	95.92%	
2017	1,643	34,545,209	21,026	5.80%	127.0	1:16	1:15	1,617.1	1,577.0	-1.64%	97.52%	
2018	1,634	35,178,336	21,529	2.39%	128.2	1:16	1:15	1,621.3	1,553.4	0.26%	95.81%	
2019	1,622	37,379,548	23,045	7.04%	130.4	1:16	1:15	1,591.3	1,525.8	-1.85%	95.88%	
2020	1,629	38,027,567	23,344	1.30%	131.5	1:16	1:15	1,602.5	1,556.5	0.70%	97.13%	
2021	1,622	39,935,695	24,621	6.84%	133.0	1:16	1:15	1,584.8	1,564.9	-1.10%	98.74%	
2022	1,615	43,281,927	26,800	8.85%	133.0	1:16	1:15	1,588.3	1,525.3	0.22%	96.03%	

Sources: District Records

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).

RIVER DELL REGIONAL SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

District Building	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Middle School</u>										
River Dell Middle School (1956)										
Square Feet	117,834	117,834	117,834	117,834	117,834	117,834	117,834	117,834	117,834	117,834
Capacity (students)	729.70	729.70	729.70	729.70	729.70	729.70	729.70	729.70	729.70	729.70
Enrollment	571	606	601	578	577	568	548	541	571	596
<u>High School</u>										
River Dell High School (1958)										
Square Feet	174,016	174,016	174,016	174,016	174,016	174,016	174,016	174,016	174,016	174,016
Capacity (students)	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1
Enrollment	1,078	1,045	1,064	1,067	1,066	1,053	1,043	1,062	1,026	1,019

Number of Schools at June 30, 2022

Middle School = 1

Senior High School = 1

Source: District Facilities Office

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Required Maintenance Expenditures by School Facilities
 Last Ten Fiscal Years
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED
 MAINTENANCE FOR SCHOOL FACILITIES
 11-000-261-xxx

* School Facilities School # (s)	River Dell Middle School 060	River Dell High School 050	Total
2013	\$ 333,614	\$ 492,678	\$ 826,292
2014	288,784	426,473	715,257
2015	359,203	530,467	889,670
2016	285,153	421,111	706,264
2017	303,105	447,623	750,728
2018	342,145	505,276	847,421
2019	299,566	442,397	741,963
2020	355,178	524,524	879,702
2021	308,588	391,222	699,810
2022	<u>306,201</u>	<u>568,659</u>	<u>874,860</u>
Total School Facilities	<u>\$ 3,181,537</u>	<u>\$ 4,750,430</u>	<u>\$ 7,931,967</u>

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

Source: District Records

RIVER DELL REGIONAL SCHOOL DISTRICT
Insurance Schedule
June 30, 2022
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance Insurance Fund		
Property - Blanket Building & Contents	\$ 106,566,045	\$ 2,500
Comprehensive General Liability	5,000,000	1,000
Automobile Liability	5,000,000	1,000
Medical Expense, Per Person Per Accident	10,000	1,000
Employee Benefits Liability	300,000	5,000
Cyber Liability	2,000,000	10,000
Crime and Fidelity - Faithful Performance	500,000	1,000
Theft, Disappearance and Destruction	50,000	1,000
Flood	10,000,000	
Earthquake	25,000,000	
Boiler and Machinery Equipment Coverage	100,000,000	2,500
School Leaders Professional Liability - School Alliance Insurance Fund	5,000,000	5,000
Environmental (Per Occurrence) - Chubb/Ace American	1,000,000	100,000
Additional Liability - School Excess Liability Fund	5,000,000	
Excess Liability (each occurrence) - Hudson Insurance Group/ Allied World (F/F) Evanston/Markel	\$30,000,000 in excess of \$10,000,000	
Excess Liability - Fireman's Insurance Company	\$25,000,000 in excess of \$40,000,000	
Travel Accident - Gerber Life Insurance Co.	500,000	
Public Official Bonds:		
Treasurer of School Moneys	300,000	
Board Secretary/Business Administrator	100,000	

Source: District Records

Note: The District is part of the South Bergen Region VII Pool. Several of the above coverage's are the combined amounts for all the school districts under master policies with insurance companies.

SINGLE AUDIT SECTION

**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**

The Honorable President and
Members of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

We have audited, 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 audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the River Dell Regional School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the River Dell Regional School District's basic financial statements, and have issued our report thereon dated February 16, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the River Dell Regional 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 River Dell Regional School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the River Dell Regional School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Smolin, Lupin & Co., LLC

SMOLIN, LUPIN & CO., LLC
Certified Public Accountants

By: *Susan T. White*
Susan T. White
Licensed Public School Accountant
License #20CS00119300

Fairfield, New Jersey
February 16, 2023

Exhibit K-2

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

The Honorable President and
Members of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

Report on Compliance for each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the River Dell Regional School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the River Dell Regional School District's major federal and state programs for the year ended June 30, 2022. The River Dell Regional 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 River Dell Regional 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; audit requirement of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and New Jersey OMB's 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 River Dell Regional 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 River Dell Regional 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 or grant agreements applicable to the River Dell Regional 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 River Dell Regional 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, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the River Dell Regional 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 Uniform Guidance, and New Jersey OMB's Circular 15-08, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the River Dell Regional School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the River Dell Regional 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 River Dell Regional 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.

Report on Internal Control Over Compliance

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

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

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

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

Smolin, Lupin & Co., LLC

SMOLIN, LUPIN & CO., LLC
Certified Public Accountants

By: *Susan T. White*
Susan T. White
Licensed Public School Accountant
License #20CS00119300

Fairfield, New Jersey
February 16, 2023

RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2021	Carryover/Walkover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Education														
Passed-through State Department of Education:														
Special Revenue Fund:														
I.D.E.A. Part B:														
Current Year	84.027A	H027A210100	IDEA-4405-22	\$ 394,150	7/1/21-9/30/22	\$ -	\$ -	\$ 339,103	\$ (353,126)	\$ -	\$ -	\$ (14,023)	\$ -	\$ -
Summer	84.027	H027A200100	IDEA-4405-21	395,852	7/1/20 - 9/30/21			19,593	(19,593)					
Prior Year	84.027	H027A200100	IDEA-4405-21	395,852	7/1/20 - 6/30/21	(44,347)		44,347						
COVID 19 - ARP Basic - ARP I.D.E.A.:														
Current Year	84.027X	H027X210100	ARP-4405-22	95,725	7/1/21-9/30/22			37,685	(81,889)			(44,204)		
Total I.D.E.A. Cluster						(44,347)		440,728	(454,608)			(58,227)		
E.S.E.A. Title I Part A:														
Current Year	84.010	S010A210030	ESEA-4405-22	36,413	7/1/21-9/30/22			1,424	(36,413)			(34,989)		
Prior Year	84.010	S010A200030	ESEA-4405-21	56,976	7/1/20 - 9/30/21	(54,996)		54,996						
E.S.E.A. Title II Part A:														
Current Year	84.367A	S367A210029	ESEA-4405-22	17,922	7/1/21-9/30/22			14,788	(17,018)			(2,230)		
Prior Year	84.367A	S367A200029	ESEA-4405-21	20,153	7/1/20 - 9/30/21	(972)		972						
E.S.E.A. Title III:														
Current Year	84.365A	S365A210030	ESEA-4405-22	10,391	7/1/21-9/30/22			5,139	(9,405)			(4,266)		
E.S.E.A. Title III, Inmigrant:														
Current Year	84.365A	S365A210030	ESEA-4405-22	2,939	7/1/21-9/30/22			1,749	(2,939)			(1,190)		
E.S.E.A. Title IV Part A:														
Current Year	84.424	S424A210031	ESEA-4405-22	10,000	7/1/21-9/30/22			9,362	(10,000)			(638)		
Prior Year	84.424	S424A200031	ESEA-4405-21	10,000	7/1/20 - 9/30/21	(5,254)		5,254	(4,746)					
Summer	84.424	S424A200031	ESEA-4405-21	10,000	7/1/20 - 9/30/21			4,746						
COVID 19 - CARES - ESSER I:														
Current Year	84.425D	S425D200027	ESSER-4405-21	46,403	3/1/20-9/30/22			12,050	(12,050)			(1,305)		
COVID 19 - CRRSA - ESSER II:														
Current Year	84.425D	S425D210027	ESSER-4405-22	140,775	3/1/20-9/30/23			139,470	(140,775)			(9,030)		
COVID 19 - CRRSA - CR Learning Acceleration:														
Current Year	84.425D	S425D210027	CRRSA-4405-22	25,000	3/1/20-9/30/23			15,970	(25,000)			(18,606)		
COVID 19 - CRRSA - CR Mental Health:														
Current Year	84.425D	S425D210027	CRRSA-4405-22	45,000	3/1/20-9/30/23			5,498	(24,104)			(8,231)		
COVID 19 - ARP - ESSER:														
Current Year	84.425U	S425U210027	ARP-4405-22	316,382	3/1/20-9/30/24				(8,231)					
COVID 19 - ARP - ESSER - Accelerated Learning Coach and Educator Support:														
Current Year	84.425U	S425U210027	ARP-4405-22	121,824	3/1/20-9/30/24									
COVID 19 - ARP - ESSER - Evidence Based Summer Learning and Enrichment:														
Current Year	84.425U	S425U210027	ARP-4405-22	40,000	3/1/20-9/30/24									
COVID 19 - ARP - ESSER - NJTSS Mental Health Support Staffing:														
Current Year	84.425U	S425U210027	ARP-4405-22	45,000	3/1/20-9/30/24									
COVID 19 - ARP - ESSER - Evidence Based Comprehensive Beyond the School Day:														
Current Year	84.425U	S425U210027	ARP-4405-22	40,000	3/1/20-9/30/24									
U.S. Department of Treasury														
Passed-through State Department of Education:														
Special Revenue Fund:														
COVID 19 - Coronavirus Relief Fund:														
Additional or Compensatory Special Education and Related Services														
Current Year	21.027	SLFRFDOE1SES	ACSERS-4405-22	115,924	7/1/21-6/30/22			61,891	(115,924)			(54,033)		
Total Special Revenue Fund						(105,569)		774,037	(861,213)			(192,745)		
Total Federal Awards						\$ (105,569)	\$ -	\$ 774,037	\$ (861,213)	\$ -	\$ -	\$ (192,745)	\$ -	\$ -

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2022

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From/To	As of June 30, 2021			GAAP Cash Received	Budgetary Expenditures	Adjustments/Repayment of Prior Years' Balances	Balance at June 30, 2022			MEMO Cumulative Total Expenditures
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover/Walkover Amount				Accounts Receivable	Deferred Revenue	Due to Grantor	
General Fund:													
State Department of Education:													
State Aid - Public Cluster:													
Special Education Categorical Aid	22-495-034-5120-089	\$ 943,334	7/1/21-6/30/22	\$ -	\$ -	\$ -	\$ 925,976	\$ (925,976)	\$ -	\$ -	\$ -	\$ 82,049	\$ 925,976
Equalization Aid	22-495-034-5120-078	285,155	7/1/21-6/30/22				260,353	(260,353)				24,802	260,353
Security Aid	22-495-034-5120-084	125,221	7/1/21-6/30/22				123,985	(123,985)				10,891	123,985
Total State Aid - Public Cluster							1,310,314	(1,310,314)				117,742	1,310,314
Transportation Aid:													
Additional Nonpublic School Transportation Aid	22-495-034-5120-014	199,120	7/1/21-6/30/22				197,154	(197,154)				17,319	197,154
Additional Nonpublic School Transportation Aid	22-495-034-5120-014	23,678	7/1/21-6/30/22	(25,230)			25,230	(23,678)				23,678	23,678
Additional Nonpublic School Transportation Aid	21-495-034-5120-014	25,230	7/1/20-6/30/21	(25,230)			222,384	(220,832)				40,997	220,832
Total State Aid - Transportation Cluster							10,415,201	(10,404,381)				492,818	10,404,381
Extraordinary Aid	22-495-034-5120-044	275,270	7/1/21-6/30/22	(285,728)			285,728	(275,270)				275,270	275,270
Extraordinary Aid	21-495-034-5120-044	285,728	7/1/20-6/30/21				1,137,162	(58,809)				58,809	1,195,971
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	1,195,971	7/1/21-6/30/22	(57,619)			57,619	(5,998,844)				5,998,844	5,998,844
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	1,148,161	7/1/20-6/30/21				5,998,844	(1,577)				1,577	1,577
TPAF Pension Contribution	22-495-034-5094-002	5,998,844	7/1/21-6/30/22				1,401,573	(1,401,573)				492,818	1,401,573
TPAF - Long-Term Disability Insurance	22-495-034-5094-004	1,577	7/1/21-6/30/22				10,415,201	(357,757)				492,818	10,404,381
TPAF - Post-Retirement Medical Contributions	22-495-034-5094-001	1,401,573	7/1/21-6/30/22	(368,577)								359	1,401,573
Total General Fund													
Special Revenue Fund:													
State Department of Education:													
N.J. Nonpublic Aid:													
Auxiliary Services:													
Compensatory Education	22-100-034-5120-067	78,830	7/1/21-6/30/22				78,830	(54,554)				24,276	54,554
Compensatory Education	21-100-034-5120-067	56,609	7/1/20-6/30/21				8,683	(8,683)				4,568	1,827
English as a Second Language	22-100-034-5120-067	6,395	7/1/21-6/30/22				6,395	(1,827)				359	359
English as a Second Language	21-100-034-5120-067	3,197	7/1/20-6/30/21				2,309	(2,309)					
Home Instruction	22-100-034-5120-067	359	7/1/21-6/30/22					(359)					
Handicapped Services:													
Supplemental Instruction	22-100-034-5120-066	75,166	7/1/21-6/30/22				75,166	(65,750)				9,416	65,750
Supplemental Instruction	21-100-034-5120-066	67,996	7/1/20-6/30/21				54	(54)				30,517	77,173
Examination & Classification	22-100-034-5120-066	107,690	7/1/21-6/30/22				107,690	(77,173)				6,696	11,904
Examination & Classification	21-100-034-5120-066	101,988	7/1/20-6/30/21				8,543	(8,543)					
Corrective Speech	22-100-034-5120-066	18,600	7/1/21-6/30/22				18,600	(11,904)				7,781	47,017
Corrective Speech	21-100-034-5120-066	23,059	7/1/20-6/30/21				54,798	(106)				10,449	97,407
Textbook Aid	22-100-034-5120-064	54,614	7/1/21-6/30/22				107,856	(97,407)				23,081	95,919
Textbook Aid	21-100-034-5120-064	54,614	7/1/20-6/30/21				119,000	(95,919)				18,085	20,261
Nursing Services Aid	22-100-034-5120-070	107,856	7/1/21-6/30/22				38,346	(20,261)				359	359
Security Aid	22-100-034-5120-509	119,000	7/1/21-6/30/22				606,681	(31,270)				134,869	472,171
Technology Initiative Aid	22-100-034-5120-373	38,346	7/1/21-6/30/22				31,270	(31,270)					
Total State Department of Education													

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2022

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From/To	As of June 30, 2021			As of June 30, 2022			MEMO		
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover/Walkover Amount	GAAP Cash Received	Budgetary Expenditures	Adjustments/Repayment of Prior Years' Balances	Accounts Receivable	Deferred Revenue	Due to Grantor
Total Special Revenue Fund				\$ -	\$ 31,270	\$ -	\$ 606,681	\$ (472,171)	\$ (31,270)	\$ -	\$ 359	\$ 472,171
Total State Financial Assistance				(368,577)	31,270		1,021,882	(10,876,552)	(31,270)		(358,116)	10,876,552
State Financial Assistance Not Subject to Single Audit Determination:												
General Fund												
TPAF Pension Contribution	22-495-034-5094-002	(5,998,844)	7/1/21-6/30/22				(5,998,844)	5,998,844				(5,998,844)
TPAF - Long-Term Disability Insurance	22-495-034-5094-004	(1,577)	7/1/21-6/30/22				(1,577)	1,577				(1,577)
TPAF - Post-Retirement Medical Contributions	22-495-034-5094-001	(1,401,573)	7/1/21-6/30/22				(1,401,573)	1,401,573				(1,401,573)
Total State Expenditures Subject to Major Program Determination				\$ (368,577)	\$ 31,270	\$ -	\$ 3,619,888	\$ (3,474,558)	\$ (31,270)	\$ -	\$ (358,116)	\$ 3,474,558

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance
June 30, 2022

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education of the River Dell Regional School District (the "District"). The Board of Education (the "Board") is defined in Note 1 to the District's financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies are included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting. This basis of accounting is described in Note 1 to the District's financial statements. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

The financial statements present the General Fund, Special Revenue Fund, and Debt Service 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 last 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 District did not have one or more June state aid payments in the Special Revenue Fund, however, if it did, the Special Revenue Fund would recognize the one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Schedules` of Expenditures of
Federal Awards and State Financial Assistance
June 30, 2022

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$45,362 for the General Fund. There are no adjustments for the Special Revenue Fund and Debt Service Fund. See Exhibit C-3, Notes to Required Supplementary Information - Part II, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Federal awards and state financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>
General Fund	\$ -	\$ 10,404,381
Special Revenue Fund	861,213	472,171
	<hr/>	<hr/>
Total federal awards and state financial assistance - GAAP Basis	861,213	10,876,552
Less: TPAF Pension Contribution, Post-Retirement Medical Contributions, and Long-term Disability Insurance	-	7,401,994
	<hr/>	<hr/>
Total per schedules of expenditures of federal awards and state financial assistance	<u>\$ 861,213</u>	<u>\$ 3,474,558</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5. OTHER

The amount reported as TPAF Pension Contribution, Post-Retirement Medical Contributions, and Long-Term Disability Insurance, represents the amount paid by the state on behalf of the District for the year ended June 30, 2022. Reimbursed 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.

**RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Schedule of Expenditures of
Federal Awards and State Financial Assistance
June 30, 2022**

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf state programs for TPAF Pension - Contribution, Post-Retirement Medical Contributions, and Long-Term Disability Insurance, are not subject to a state single audit and, therefore, are excluded from major program determination. The schedule of expenditures of state financial assistance provides a reconciliation of state financial assistance reported in the District's basic financial statements and the amount subject to state single audit and major program determination.

NOTE 7. DE MINIMIS INDIRECT COST RATE

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal 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? yes x no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes x none reported

Noncompliance material to basic financial statements noted? yes x no

Federal Awards Section

Internal control over major programs:

1) Material weakness(es) identified? yes x no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes x none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance yes x no

Identification of major programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	I.D.E.A. Part B
84.027A	I.D.E.A. Part B
84.027X	COVID 19 - ARP Basic - ARP I.D.E.A.

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

Auditee qualified as low-risk auditee? yes x no

RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

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

State Financial Assistance Section

Dollar threshold used to distinguish between
type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

x yes no

Internal control over major programs:

1) Material weakness(es) identified?

yes x no

2) Significant deficiencies identified that are
not considered to be material weaknesses?

yes x none reported

Type of auditor's report issued on compliance
for major programs:

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with New Jersey
OMB's Circular 15-08?

yes x no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

22-495-034-5094-003

Reimbursed TPAF Social Security Contributions

**RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2022**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

There are none.

**RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2022**

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE FINANCIAL ASSISTANCE

There are none.

**RIVER DELL REGIONAL SCHOOL DISTRICT
Summary Schedule of Prior-Year Audit Findings
For the Fiscal Year Ended June 30, 2022**

This section identifies the status of prior-year findings related to the basic financial statements and federal awards and state financial assistance that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were no prior-year audit findings.