

**SUSSEX-WANTAGE REGIONAL  
SCHOOL DISTRICT**

**Sussex-Wantage Regional School District  
Sussex, New Jersey**

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

**Annual Comprehensive  
Financial Report**

**of the**

**Sussex-Wantage Regional School District  
Board of Education**

**Sussex, New Jersey**

**For the Fiscal Year Ended June 30, 2022**

**Prepared by**

**Sussex-Wantage Regional School District  
Board Office**

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INTRODUCTORY SECTION  
(UNAUDITED)

BOARD OF EDUCATION  
**SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT**

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BRENDA VANWARNER  
ADMINISTRATIVE ASSISTANT

NANCY SISTO  
ADMINISTRATIVE ASSISTANT

November 22, 2022

The Honorable President and Members of  
the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex  
Sussex, New Jersey

Dear Honorable President and Board Members:

The annual comprehensive financial report of the Sussex-Wantage Regional School District for the fiscal year ended June 30, 2022 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Sussex-Wantage Regional School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. REPORTING ENTITY AND ITS SERVICES: The Sussex-Wantage Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in Codification Section 2100. All funds of the District are included in this report. The Sussex-Wantage Regional Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2021-2022 fiscal year with an average daily enrollment of 1,041 students, a decrease of 11 students from the previous year's enrollment.

(2) ECONOMIC CONDITION AND OUTLOOK: The economic condition of the municipalities comprising the District continues to be influenced by the slow population growth. There was a net increase in ratables in Sussex Borough of 0.21% while Wantage Township ratables decreased 0.18%. Despite this, the percentage of commercial ratables to the total ratables is considerably less than in most areas in the State of New Jersey.

(3) MAJOR INITIATIVES: The total amount of State Aid for the 2021-2022 school year decreased (\$672,968) from the level of the 2020-2021 funding. Despite this, the District was able to maintain class sizes across all grade levels.

The main focus of instruction following COVID-19 has been to meet students where they were at. In addition to continuing to provide a continuum of services to students with special needs, the District continued to enhance its pull-out Basic Skills program, maintained small class sizes throughout the District and focused its efforts on interventions relative to its Response to Intervention Program and social emotional learning. In that regard we have streamlined our assessment and data collection process. Throughout the District we met in collaborative teams to develop and refine rubrics for each grade level in ELA and math. We continued to infuse varied formative assessments in Math and Language Arts through the NWEA Measures of Academic Progress (MAPs) Assessment in grades K-8 and reading benchmarks. Students in grades K-8 were fully immersed into a traditional in person school environment and have been thriving. We were also excited to announce a "return to normal" for all of our extracurricular activities, stakeholder reading and math nights, and other social emotional activities. We even expanded these to offer multicultural celebrations throughout various schools and classrooms.

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

5) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP.

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As 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. This internal control system is also subject to periodic evaluation by the District's management.



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

6) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2022.

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. 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.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

The Board is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF is a risk-sharing public entity risk management fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to their members. The School Alliance Insurance Fund oversees risk management for the District. A schedule of insurance coverage is found on Exhibit J-20.

9) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

The auditors' report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

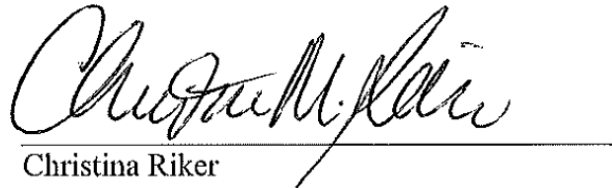
The Honorable President and Members of  
the Board of Education  
Sussex-Wantage Regional School District  
Page 4  
November 22, 2022

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

Respectfully submitted,

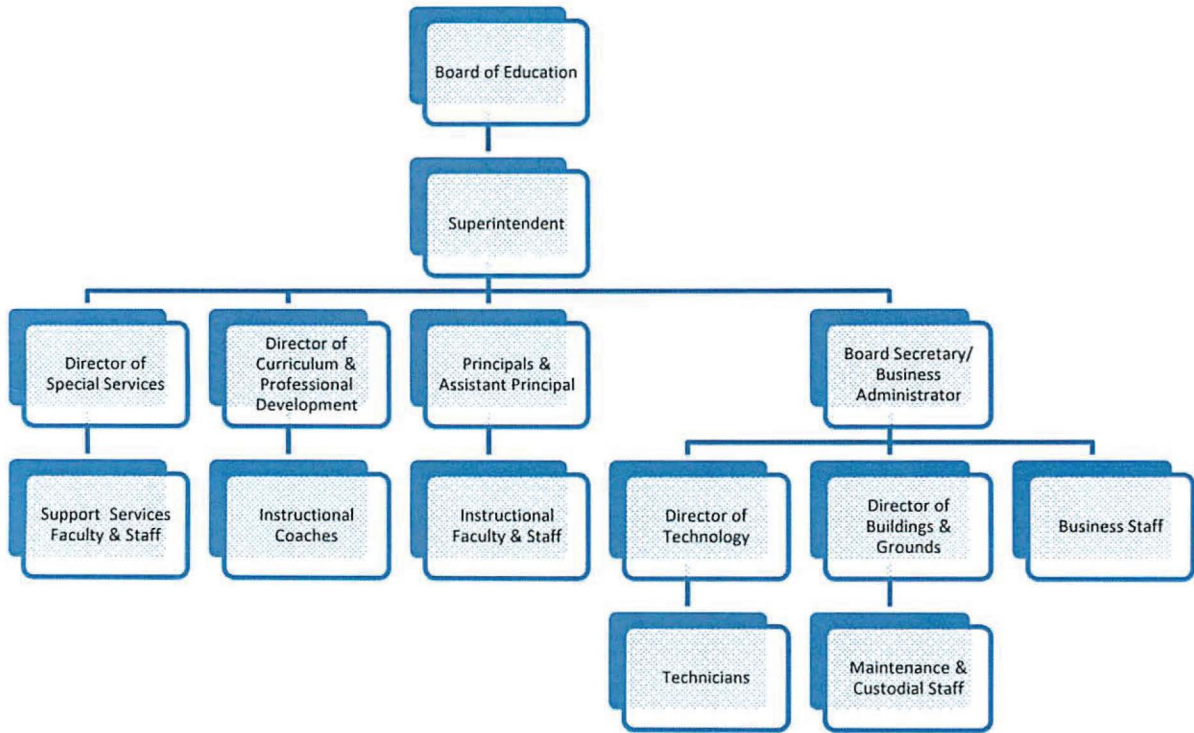


Michael Gall  
Superintendent of Schools



Christina Riker  
Business Administrator/Board Secretary

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
Organizational Chart  
(Unit Control)



**SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
 ROSTER OF OFFICIALS  
 JUNE 30, 2022**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Nicholas D'Agostino, President	2023
Dorothy Witte, Vice President	2024
Kristen Cooper-Trinidad	2023
Courtney DeWaal Malefyt	2023
Ross Juliano	2022
Ken Nuss	2022
Georgeanna Stoll	2022
Danielle Zill-Barry	2024
Alissa Cecchini	2024

<u>Other Officers</u>	<u>Title</u>
Michael Gall	Superintendent
Christina Riker	Business Administrator/Board Secretary
Grant W. Rome, Treasurer	Treasurer

# SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

Consultants and Advisors

## **Audit Firm**

Nisivoccia LLP, CPAs  
Mount Arlington Corporate Center  
200 Valley Road Suite 300  
Mount Arlington, NJ 07856-1320

and

Lawrence Business Park  
11 Lawrence Road  
Newton, NJ 07860

and

1140 Route 22 East, Suite 203  
Bridgewater, NJ 08807

## **Attorney**

Cleary, Giacobbe, Alfieri, Jacobs, LLC  
7 James Street  
Florham Park, NJ 07932

## **Official Depository**

Lakeland Bancorp Inc.  
250 Oak Ridge Road  
Oak Ridge, NJ 07438-8906

## **Architect**

Parette Somjen Architects, LLC  
439 Route 46 East  
Rockaway, NJ 07866

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Qualified Opinion***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Sussex-Wantage Regional School District (the "District"), in the County of Sussex, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2022, and the respective changes in financial position, and, where applicable cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Qualified Opinion***

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

#### ***Matter Giving Rise to Qualified Opinion***

The District's note disclosure on postemployment benefits other than pensions (OPEB) (Note 17) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey (the "Division"), as of the date of this report. The District is in a "special funding situation" in that the OPEB contributions, expenses and related liability are the sole responsibility of the State of New Jersey, not the District and therefore does not affect the District's net position. An estimated release date for the June 30, 2021 OPEB information has not been announced by the Division. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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



***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios (Exhibit L-5) do not contain the June 30, 2021 OPEB information as the related GASB No. 75 report for SHBP has not been released by the State as of the date of this report. The District is in a "special funding situation" in that the OPEB contributions, expenses and related liability are the sole responsibility of the State of New Jersey, not the District and therefore does not affect the District's net position. An estimated release date for the June 30, 2021 OPEB information has not been announced by the Division. This required supplementary information is required to be presented to supplement the basic financial statements in accordance with accounting principles generally accepted in the United States of America. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

November 22, 2022  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2022**

This section of the Sussex-Wantage Regional School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

**Overview of the Financial Statements**

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

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

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

**Figure A-1  
Organization of the School District’s Financial Report**

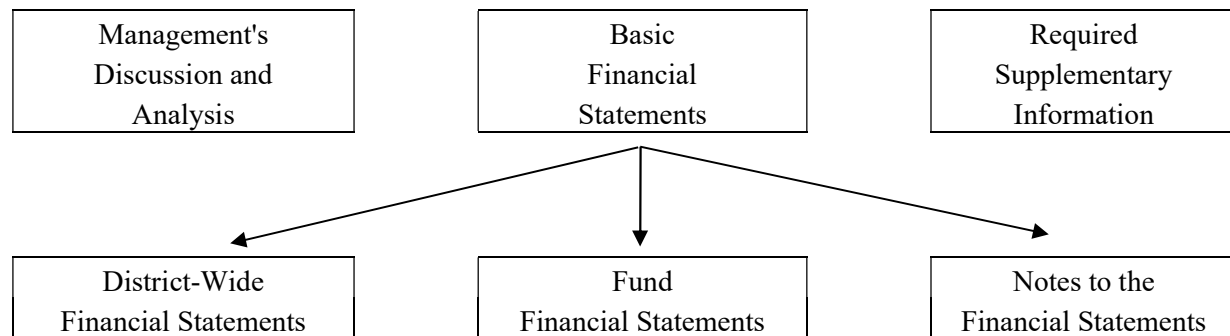


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

**Figure A-2**

***Major Features of the District-Wide and Fund Financial Statements***

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

## ***District-wide Statements***

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

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

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

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

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

## ***Fund Financial Statements***

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

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

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.

**Notes to the Basic Financial Statements:**

Provide additional information essential to a full understanding of the District-wide and fund financial statements.

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

*Net Position.* The District’s combined net position increased by \$1,323,142. Net position from governmental activities increased by \$1,152,734 and net position from business-type activities increased by \$170,408. Net investment in capital assets increased by \$1,152,467, restricted net position decreased by \$182,892, and unrestricted net position increased by \$353,567.

**Figure A-3**

**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	Change
<b>Assets:</b>							
Current and							
Other Assets	\$ 8,706,474	\$ 9,784,106	\$ 372,878	\$ 225,888	\$ 9,079,352	\$ 10,009,994	
Capital Assets, Net	7,936,886	6,769,149	48,268	63,538	7,985,154	6,832,687	
Total Assets	<u>16,643,360</u>	<u>16,553,255</u>	<u>421,146</u>	<u>289,426</u>	<u>17,064,506</u>	<u>16,842,681</u>	1.32%
Deferred Outflows of							
Resources	<u>408,973</u>	<u>786,471</u>			<u>408,973</u>	<u>786,471</u>	-48.00%
<b>Liabilities:</b>							
Other Liabilities	1,383,468	1,605,671	22,520	61,208	1,405,988	1,666,879	
Long-Term Liabilities	<u>4,257,282</u>	<u>5,662,076</u>			<u>4,257,282</u>	<u>5,662,076</u>	
Total Liabilities	<u>5,640,750</u>	<u>7,267,747</u>	<u>22,520</u>	<u>61,208</u>	<u>5,663,270</u>	<u>7,328,955</u>	-22.73%
Deferred Inflows of							
Resources	<u>2,597,559</u>	<u>2,410,689</u>			<u>2,597,559</u>	<u>2,410,689</u>	7.75%
<b>Net Position:</b>							
Investment in							
Capital Assets	7,936,886	6,769,149	48,268	63,538	7,985,154	6,832,687	
Restricted	6,311,677	6,494,569			6,311,677	6,494,569	
Unrestricted/(Deficit)	<u>(5,434,539)</u>	<u>(5,602,428)</u>	<u>350,358</u>	<u>164,680</u>	<u>(5,084,181)</u>	<u>(5,437,748)</u>	
Total Net Position	<u>\$ 8,814,024</u>	<u>\$ 7,661,290</u>	<u>\$ 398,626</u>	<u>\$ 228,218</u>	<u>\$ 9,212,650</u>	<u>\$ 7,889,508</u>	16.77%

*Changes in Net Position.* The District’s combined net position was \$9,212,650 on June 30, 2022, an increase of \$1,323,142 or 16.77% more than it was the year before (See Figure A-3). Net Investment in Capital Assets increased by \$1,152,467 due to the \$758,682 of current year capital assets additions and \$1,079,944 of construction in progress offset by the \$686,159 of depreciation expense. Restricted net position decreased by \$182,892 due to the decrease in excess surplus of \$274,775 and the budgeted withdrawal from Capital Reserve of \$861,893 offset by the \$950,000 Board transfer to Capital Reserve, the \$781 increase in Unemployment Compensation restricted fund balance and the \$2,995 increase in Student Activities restricted fund balance. The unrestricted net position increased by \$353,567 due primarily to the change in pension related deferred inflows and outflows, the increase in unexpended budget appropriations, as well as the decrease in net pension liability offset by the decrease in year-end encumbrances.

**Figure A-4**

**Changes in Net Position from Operating Results**

	Governmental Activities 2021/2022	Business- Type Activities 2021/2022	Governmental Activities 2020/2021	Business- Type Activities 2020/2021	Total School District 2021/2022	Total School District 2020/2021	Percentage Change 2021/2022
<b>Revenue:</b>							
<b>Program Revenue:</b>							
Charges for Services	\$ 154,087	\$ 189,638	\$ 72,977	\$ 25,388	\$ 343,725	\$ 98,365	
Operating Grants and Contributions	8,065,132	620,610	8,045,324	260,172	8,685,742	8,305,496	
Capital Grants and Contributions			41,637			41,637	
<b>General Revenue:</b>							
Property Taxes	16,643,603		16,816,591		16,643,603	16,816,591	
Unrestricted State and Federal Aid	4,217,744		4,898,614		4,217,744	4,898,614	
Other	101,112	305	40,179	265	101,417	40,444	
<b>Total Revenue</b>	<b>29,181,678</b>	<b>810,553</b>	<b>29,915,322</b>	<b>285,825</b>	<b>29,992,231</b>	<b>30,201,147</b>	<b>-0.69%</b>
<b>Expenses:</b>							
Instruction	16,427,391		16,205,402		16,427,391	16,205,402	
Pupil and Instruction Services	4,355,528		4,210,194		4,355,528	4,210,194	
Administrative and Business	2,094,513		2,238,470		2,094,513	2,238,470	
Maintenance and Operations	2,121,315		2,039,292		2,121,315	2,039,292	
Transportation	1,641,600		1,491,213		1,641,600	1,491,213	
Capital Outlay			1,273			1,273	
Other	1,388,597	640,145	1,327,570	312,332	2,028,742	1,639,902	
<b>Total Expenses</b>	<b>28,028,944</b>	<b>640,145</b>	<b>27,513,414</b>	<b>312,332</b>	<b>28,669,089</b>	<b>27,825,746</b>	<b>3.03%</b>
Increase/(Decrease) in Net Position	\$ 1,152,734	\$ 170,408	\$ 2,401,908	\$(26,507)	\$ 1,323,142	\$ 2,375,401	-44.30%

**Governmental Activities**

The financial position of the District improved significantly in the current year. However, maintaining existing programs for regular pupil enrollment and the provision of special programs and services for disabled pupils place great demands on the District's resources.

Careful management of expenses remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenses carefully. Staff, parental and student demands for salary increases, new activities and programs must be evaluated thoroughly.

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



The net cost shows the financial burden placed on the District’s taxpayers by each of the following functions:

**Figure A-5**

	<b>Net Cost of Governmental Activities</b>			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2021/2022</u>	<u>2021/2022</u>	<u>2020/2021</u>	<u>2020/2021</u>
Instruction	\$ 16,427,391	\$ 10,480,089	\$ 16,205,402	\$ 10,250,701
Pupil and Instruction Services	4,355,528	3,228,236	4,210,194	3,140,869
Administrative and Business	2,094,513	1,972,429	2,238,470	2,059,558
Maintenance and Operations	2,121,315	1,977,004	2,039,292	1,959,528
Transportation	1,641,600	763,370	1,491,213	613,977
Capital Outlay			1,273	1,273
Other	1,388,597	1,388,597	1,327,570	1,327,570
	<u>\$ 28,028,944</u>	<u>\$ 19,809,725</u>	<u>\$ 27,513,414</u>	<u>\$ 19,353,476</u>

**Business-Type Activities**

The District’s business-type activities increased by \$170,408. The increase is due primarily to the increase in federal and state subsidy reimbursements as the District was under the Seamless Summer Option Program in the Food Service Program. Additionally, there was an increase in the Care Program due primarily to an increase in child care fees, due to normal school operations in the current year.

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

The District’s financial position decreased in the current year primarily due to fund balance utilized to support the budget offset by unexpended budget appropriations in the General Fund. As the number of low-income students rises, so do the expenditures related to meeting their additional needs.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. The budget was amended for transfers to prevent over-expenditures of specific line item accounts.

## Capital Assets

Figure A-6

	Capital Assets (Net of Depreciation)						Percentage Change 2021/2022
	Government Activities		Business-Type Activities		Total School District		
	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	
Construction in Progress	\$ 1,079,944				\$ 1,079,944		
Buildings and Building Improvements	4,751,516	\$ 4,571,013			4,751,516	\$ 4,571,013	
Site Improvements	1,455,239	1,593,175			1,455,239	1,593,175	
Machinery and Equipment	650,187	604,961	\$ 48,268	\$ 63,538	698,455	668,499	
Total Capital Assets (Net of Depreciation)	<u>\$ 7,936,886</u>	<u>\$ 6,769,149</u>	<u>\$ 48,268</u>	<u>\$ 63,538</u>	<u>\$ 7,985,154</u>	<u>\$ 6,832,687</u>	16.87%

During the current fiscal year, the District had capital additions of \$1,838,626 and depreciated \$686,159 of its capital assets.

## Long-term Liabilities

At year-end, the District had \$4,193,456 in long-term liabilities outstanding – a decrease of \$1,468,620 from last year – as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 7 to the financial statements.)

Figure A-7

	Outstanding Long-Term Liabilities		Percentage Change
	Total School District		
	2021/2022	2020/2021	
Net Pension Liability	\$ 3,466,320	\$ 4,970,166	
Compensated Absences Payable	790,962	691,910	
Total Long-Term Liabilities	<u>\$ 4,257,282</u>	<u>\$ 5,662,076</u>	-24.81%

The District’s long-term liabilities decreased by \$1,404,794 or 24.81% due to the decrease in net pension liability of \$1,503,846, offset by the increase in compensated absences payable of \$99,052.

## Factors Bearing on the District’s Future

The Sussex-Wantage Regional School District remains financially stable even with continued uncertainty in State funding and the long-lasting effects of the COVID-19 pandemic that began in mid-March 2020. The District has and will continue to maintain programs and class size despite the uncertainty.

The district will continue to look at ways to contain and cut costs, in addition to, working to ensure the health, safety and well-being of our students and staff.

## Contacting the District’s Financial Management

This financial report is designed to provide the District’s citizens, taxpayers, customers and creditors with a general overview of the School District’s finances and to reflect the School District’s accountability for the money it receives. Questions about this report or additional financial information needs should be directed to

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 5,371,698	\$ 374,966	\$ 5,746,664
Internal Balances	87,296	(87,296)	
Receivables from State Government	708,256	898	709,154
Receivables from Federal Government	348,980	50,008	398,988
Other Accounts Receivable	41,254	16,833	58,087
Inventories		17,469	17,469
Restricted Assets:			
Cash and Cash Equivalents	2,148,990		2,148,990
Capital Assets, Net:			
Construction in Progress	1,079,944		1,079,944
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	6,856,942	48,268	6,905,210
Total Assets	16,643,360	421,146	17,064,506
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows Related to Pensions	408,973		408,973
Total Deferred Outflows of Resources	408,973		408,973
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,312,616		1,312,616
Payable to State Government	23,452		23,452
Unearned Revenue	47,400	22,520	69,920
Noncurrent Liabilities:			
Due Within One Year	65,989		65,989
Due Beyond One Year	4,191,293		4,191,293
Total Liabilities	5,640,750	22,520	5,663,270
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows Related to Pensions	2,597,559		2,597,559
Total Deferred Inflows of Resources	2,597,559		2,597,559
<u>NET POSITION</u>			
Investment in Capital Assets	7,936,886	48,268	7,985,154
Restricted for:			
Capital Projects	1,257,864		1,257,864
Maintenance Reserve	250,000		250,000
Excess Surplus	4,162,687		4,162,687
Unemployment Compensation	501,073		501,073
Student Activities	140,053		140,053
Unrestricted/(Deficit)	(5,434,539)	350,358	(5,084,181)
Total Net Position	\$ 8,814,024	\$ 398,626	\$ 9,212,650

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 9,482,425	\$ 24,590	\$ 2,505,801		\$ (6,976,624)		\$ (6,976,624)
Special Education	5,916,280		3,144,075		(2,747,615)		(2,747,615)
Other Special Instruction	691,143		91,447		(599,696)		(599,696)
School Sponsored	337,543		181,389		(156,154)		(156,154)
Support Services:							
Tuition	480,550		163,154		(317,396)		(317,396)
Student and Instruction Related Services	3,874,978	40,096	924,042		(2,910,840)		(2,910,840)
General Administrative Services	560,839				(560,839)		(560,839)
School Administrative Services	940,779		122,084		(818,695)		(818,695)
Central Services	386,038				(386,038)		(386,038)
Administrative Information Technology	206,857				(206,857)		(206,857)
Plant Operations and Maintenance	2,121,315		144,311		(1,977,004)		(1,977,004)
Pupil Transportation	1,641,600	89,401	788,829		(763,370)		(763,370)
Unallocated Depreciation	542,807				(542,807)		(542,807)
Transfer of Funds to Charter School	845,790				(845,790)		(845,790)
Total Governmental Activities	28,028,944	154,087	8,065,132		(19,809,725)		(19,809,725)
Business-Type Activities:							
Food Service	520,400	23,217	620,610			\$ 123,427	123,427
Care Program	119,745	166,421				46,676	46,676
Total Business-Type Activities	640,145	189,638	620,610			170,103	170,103
Total Primary Government	\$ 28,669,089	\$ 343,725	\$ 8,685,742	\$ -0-	(19,809,725)	170,103	(19,639,622)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Property Taxes, Levied for General Purposes	\$ 16,643,603		\$ 16,643,603
Federal and State Aid not Restricted	4,217,744		4,217,744
Interest Earnings	781	\$ 305	1,086
Miscellaneous Income	100,331		100,331
Total General Revenues	20,962,459	305	20,962,764
Change in Net Position	1,152,734	170,408	1,323,142
Net Position - Beginning	7,661,290	228,218	7,889,508
Net Position - Ending	\$ 8,814,024	\$ 398,626	\$ 9,212,650

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

FUND FINANCIAL STATEMENTS



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 5,344,061		\$ 27,637	\$ 5,371,698
Interfund Receivable	358,527			358,527
Receivables From State Government	708,256			708,256
Receivables From Federal Government		\$ 348,980		348,980
Other Accounts Receivable	1,024	40,230		41,254
Restricted Cash and Cash Equivalents	2,008,937	140,053		2,148,990
<b>Total Assets</b>	<b>\$ 8,420,805</b>	<b>\$ 529,263</b>	<b>\$ 27,637</b>	<b>\$ 8,977,705</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 930,348	\$ 47,577		\$ 977,925
Interfund Payable		271,231		271,231
Payable to State Government		23,452		23,452
Unearned Revenue	450	46,950		47,400
<b>Total Liabilities</b>	<b>930,798</b>	<b>389,210</b>		<b>1,320,008</b>
<b>Fund Balances:</b>				
<b>Restricted:</b>				
Excess Surplus - Restricted for 2023-2024	2,092,052			2,092,052
Excess Surplus - Restricted for 2022-2023	2,070,635			2,070,635
Capital Reserve Account	1,257,864			1,257,864
Maintenance Reserve Account	250,000			250,000
Unemployment Compensation	501,073			501,073
Student Activities		140,053		140,053
Committed			\$ 27,637	27,637
<b>Assigned:</b>				
Year-end Encumbrances	656,780			656,780
Unassigned	661,603			661,603
<b>Total Fund Balances</b>	<b>7,490,007</b>	<b>140,053</b>	<b>27,637</b>	<b>7,657,697</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,420,805</b>	<b>\$ 529,263</b>	<b>\$ 27,637</b>	<b>\$ 8,977,705</b>
Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:				
Fund Balance from Above				\$ 7,657,697
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.				7,936,886
Long-Term Liabilities, are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds.				(790,962)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.				(3,466,320)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:				
Deferred Outflows				74,282
Deferred Inflows				(2,597,559)
<b>Net Position of Governmental Activities</b>				<b>\$ 8,814,024</b>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
Local Sources:				
Local Tax Levy	\$ 16,643,603			\$ 16,643,603
Tuition	24,590			24,590
Transportation Fees	89,401			89,401
Interest Earned	16,773			16,773
Restricted Miscellaneous Revenue	781	\$ 40,096		40,877
Unrestricted Miscellaneous Revenue	83,558			83,558
Total - Local Sources	16,858,706	40,096		16,898,802
State Sources	11,715,767	61,169		11,776,936
Federal Sources	67,216	891,758		958,974
Total Revenues	28,641,689	993,023		29,634,712
EXPENDITURES:				
Current:				
Regular Instruction	5,783,644	169,377		5,953,021
Special Education Instruction	3,536,129	110,749		3,646,878
Other Special Instruction	556,889			556,889
School-Sponsored	71,245			71,245
Support Services and Undistributed Costs:				
Tuition	317,396	163,154		480,550
Student and Other Instruction Related Services	2,441,220	367,921		2,809,141
General Administrative Services	508,193			508,193
School Administrative Services	634,532			634,532
Central Services	329,089			329,089
Administrative Information Technology	188,277			188,277
Plant Operations and Maintenance	1,963,819			1,963,819
Student Transportation	1,533,265			1,533,265
Unallocated Benefits	9,164,114			9,164,114
Capital Outlay	1,634,492	178,827		1,813,319
Transfer of Funds to Charter School	845,790			845,790
Total Expenditures	29,508,094	990,028		30,498,122
Excess/(Deficit) of Revenue Over/(Under) Expenditures	(866,405)	2,995		(863,410)
Fund Balance - July 1	8,356,412	137,058	\$ 27,637	8,521,107
Fund Balance - June 30	<u>\$ 7,490,007</u>	<u>\$ 140,053</u>	<u>\$ 27,637</u>	<u>\$ 7,657,697</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (863,410)

Amounts Reported for Governmental Activities in the Statement  
of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays differ from depreciation in the period.

	Depreciation Expense	\$ (670,889)	
	Capital Outlays	<u>1,838,626</u>	
			1,167,737

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	1,503,846
Change in Deferred Outflows	(369,517)
Change in Deferred Inflows	(186,870)

In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(99,052)

Change in net position of governmental activities (A-2) \$ 1,152,734

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Non-Major</u>	<u>Total</u>
	<u>Food Service</u>	<u>Fund</u>	
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 225,606	\$ 149,360	\$ 374,966
Intergovernmental Accounts Receivable:			
State	898		898
Federal	50,008		50,008
Other Accounts Receivable	310	16,523	16,833
Inventories	17,469		17,469
Total Current Assets	<u>294,291</u>	<u>165,883</u>	<u>460,174</u>
Non-Current Assets:			
Capital Assets	278,776		278,776
Accumulated depreciation	<u>(230,508)</u>		<u>(230,508)</u>
Total Non-Current Assets	<u>48,268</u>		<u>48,268</u>
Total Assets	<u>342,559</u>	<u>165,883</u>	<u>508,442</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Interfund Payable	87,296		87,296
Unearned Revenue - Donated Commodities	5,847		5,847
Unearned Revenue - Prepaid Sales/Fees	4,008	12,665	16,673
Total Current Liabilities	<u>97,151</u>	<u>12,665</u>	<u>109,816</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	48,268		48,268
Unrestricted	<u>197,140</u>	<u>153,218</u>	<u>350,358</u>
Total Net Position	<u>\$ 245,408</u>	<u>\$ 153,218</u>	<u>\$ 398,626</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major	Total
	Food Service	Fund	
Operating Revenue:			
Local Sources:			
Miscellaneous Income	\$ 23,217		\$ 23,217
Child Care Fees		\$ 166,421	166,421
Total Operating Revenue	23,217	166,421	189,638
Operating Expenses:			
Cost of Goods Sold - Reimbursable Programs	251,062		251,062
Salaries	161,340	114,960	276,300
Employee Benefits and Payroll Taxes	46,987		46,987
Purchased Services	14,401	3,176	17,577
Supplies and Materials		1,609	1,609
Depreciation	15,270		15,270
Other	31,340		31,340
Total Operating Expenses	520,400	119,745	640,145
Operating Income/(Loss)	(497,183)	46,676	(450,507)
Non-Operating Revenue:			
State Sources:			
COVID-19 - Seamless Summer Option	10,220		10,220
Federal Sources:			
COVID-19 Emergency Operational Cost Reimbursement Program	11,517		11,517
COVID-19 P-EBT Administrative Cost Reimbursement	1,242		1,242
COVID-19 - Seamless Summer Option - Breakfast	116,725		116,725
COVID-19 - Seamless Summer Option - Lunch	434,460		434,460
Food Distribution Program	46,446		46,446
Local Sources:			
Interest Revenue	305		305
Total Non-Operating Revenue	620,915		620,915
Change in Net Position	123,732	46,676	170,408
Net Position - Beginning of Year	121,676	106,542	228,218
Net Position - End of Year	\$ 245,408	\$ 153,218	\$ 398,626

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major	Total
	Food Service	Fund	
Cash Flows for Operating Activities:			
Receipts from Customers	\$ 20,860	\$ 141,265	\$ 162,125
Payments for Salaries, Payroll Taxes and Benefits	(208,327)	(114,960)	(323,287)
Payments to Suppliers	(268,627)	(4,785)	(273,412)
Net Cash Provided by/(Used for) Operating Activities	(456,094)	21,520	(434,574)
Cash Flows from Noncapital Financing Activities:			
Federal and State Sources Received in Food Service Fund	585,382		585,382
Net Cash Provided by Noncapital Financing Activities	585,382		585,382
Cash Flows from Investing Activities:			
Interest on Investments	305		305
Net Cash Provided by Investing Activities	305		305
Net Increase in Cash and Cash Equivalents	129,593	21,520	151,113
Cash and Cash Equivalents, July 1	96,013	127,840	223,853
Cash and Cash Equivalents, June 30	\$ 225,606	\$ 149,360	\$ 374,966
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities			
Operating Income/(Loss)	\$ (497,183)	\$ 46,676	\$ (450,507)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	15,270		15,270
Food Distribution Program	46,446		46,446
Changes in Assets and Liabilities:			
Decrease in Inventory	5,462		5,462
(Increase)/Decrease in Other Accounts Receivable	3,966	(16,523)	(12,557)
(Decrease) in Accounts Payable	(20,814)		(20,814)
(Decrease) in Unearned Revenue:			
Donated Commodities	(6,884)		(6,884)
Prepaid Sales/Fees	(2,357)	(8,633)	(10,990)
Net Cash Provided by/(Used for) Operating Activities	\$ (456,094)	\$ 21,520	\$ (434,574)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$39,562 and utilized commodities valued at \$46,446 for the fiscal year ended June 30, 2022.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

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

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

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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



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

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

B. Basis of Presentation: (Cont'd)

The District reports the following proprietary fund: (Cont'd)

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for fiscal year ending June 30, 2022 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

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

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

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

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

D. Budgets/Budgetary Control (Cont'd)

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 28,568,352	\$ 1,106,663
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis Does Not:		
Prior Year Encumbrances		11,277
Current Year Encumbrances		(124,917)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	635,308	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(562,553)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 28,641,107	\$ 993,023
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 29,508,094	\$ 1,103,668
Differences - Budgetary to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Prior Year Encumbrances		11,277
Current Year Encumbrances		(124,917)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 29,508,094	\$ 990,028

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

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

E. Cash and Cash Equivalents and Investments:

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

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

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

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

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2022.

K. Capital Assets:

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

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

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	40 years
Site Improvements	20 years
Machinery and Equipment	10 to 12 years

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

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

K. Capital Assets: (Cont'd)

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 the related depreciation is not reported in the fund financial statements.

L. Lease Assets

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

M. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premiums and discounts are amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

N. Accrued Salaries and Wages

Certain District employees, who provide services to the 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 amount earned by these employees but not disbursed was \$709,258.

O. Compensated Absences

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

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

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

P. Lease Payable

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

Q. Unearned Revenue

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

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

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

R. Fund Balance Appropriated:

General Fund: Of the \$7,490,007 General Fund fund balance at June 30, 2022, \$1,257,864 is restricted in a capital reserve; \$250,000 is restricted in a maintenance reserve; \$2,070,635 is restricted as prior year excess surplus which has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2023; \$2,092,052 is restricted as current year excess surplus and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2024; \$656,780 is assigned for year-end encumbrances; \$501,073 is restricted for unemployment compensation. Additionally, there is \$661,603 of unassigned fund balance which is \$562,553 less than the actual year-end unassigned fund balance, on a GAAP Basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2023.

Special Revenue Fund: The entire \$140,053 fund balance at June 30, 2022 is restricted for student activities.

Capital Projects Fund: The entire \$27,637 fund balance at June 30, 2022 is committed.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted on the prior page.

Unassigned General Fund fund balance is \$562,553 less on a GAAP basis than budgetary basis as of June 30, 2022 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record these state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments noted above.

S. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2022 related to pensions.

The District had deferred inflows of resources at June 30, 2022 related to pensions.

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

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization reduced by the outstanding balances of

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Net Position: (Cont'd)

borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

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

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

T. Deficit Net Position

There is a deficit in unrestricted governmental activities net position of \$5,434,539 which is primarily a result of compensated absences payable, net pension liability and the related deferred inflows and outflows offset by assigned and unassigned General Fund fund balances. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

U. Fund Balance Restrictions, Commitments and Assignments:

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

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources at June 30, 2022 in the Capital Projects Fund.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources in the General Fund at June 30, 2022 for year-end encumbrances.



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

V. Revenue - Exchange and Nonexchange Transactions:

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

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

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

W. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and Care Program fees. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

X. Management Estimates:

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

Y. Pensions:

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

Y. Pensions: (Cont'd)

payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

Deposits:

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

Deposits: (Cont'd)

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

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

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

Investments:

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

Investments: (Cont'd)

- (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents				Total
		Capital Reserve	Maintenance Reserve	Unemployment Compensation	Student Activities	
Checking Accounts	\$ 5,746,664	\$ 1,257,864	\$ 250,000	\$ 501,073	\$ 140,053	\$ 7,895,654

The carrying amount of the Board's cash and cash equivalents at June 30, 2022, was \$7,895,654 and the bank balance was \$8,869,062.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account in the amount of \$400,000 was established by Board resolution on June 26, 2013 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the 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. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2021	\$ 1,169,757
Add:	
Deposit - Board Resolution June 30, 2022	950,000
Less:	
Budgeted Withdrawal	<u>861,893</u>
Ending Balance, June 30, 2022	<u><u>\$ 1,257,864</u></u>

The balance in the capital reserve at June 30, 2022 did not exceed the balance of local support costs of uncompleted capital projects in the District’s approved Long Range Facilities Plan. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$250,000 was established by resolution on June 24, 2021. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building. Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
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(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget.

The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The activity of the maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$ 250,000
Ending Balance, June 30, 2022	\$ 250,000

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2022 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Construction in Progress		\$1,079,944		\$ 1,079,944
Total Capital Assets Not Being Depreciated		1,079,944		1,079,944
Capital Assets Being Depreciated:				
Buildings and Building Improvements	\$ 11,260,017	585,374		11,845,391
Site Improvements	2,118,503			2,118,503
Machinery and Equipment	2,399,967	173,308	\$ (388,406)	2,184,869
Total Capital Assets Being Depreciated	15,778,487	758,682	(388,406)	16,148,763
Governmental Activities Capital Assets	15,778,487	1,838,626	(388,406)	17,228,707
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(6,689,004)	(404,871)		(7,093,875)
Site Improvements	(525,328)	(137,936)		(663,264)
Machinery and Equipment	(1,795,006)	(128,082)	388,406	(1,534,682)
	(9,009,338)	(670,889)	388,406	(9,291,821)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 6,769,149	\$1,167,737	\$ -0-	\$ 7,936,886
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 278,776			\$ 278,776
Less Accumulated Depreciation	(215,238)	\$ (15,270)		(230,508)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 63,538	\$ (15,270)	\$ -0-	\$ 48,268

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 5,796
Student and Instruction Related Services	5,762
General Administrative Services	11,306
School Administrative Services	41,812
Central Services	1,282
Plant Operations and Maintenance	17,273
Pupil Transportation	44,851
Unallocated	542,807
	<u>\$ 670,889</u>

NOTE 7: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2022, the District made transfers to the capital outlay accounts for equipment which did not require approval of the County Superintendent.

NOTE 8. LONG-TERM LIABILITIES

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

	Balance 6/30/2021	Accrued	Retired	Balance 6/30/2022
Compensated Absences Payable	\$ 691,910	\$ 133,395	\$ 34,343	\$ 790,962
Net Pension Liability	4,970,166		1,503,846	3,466,320
	<u>\$ 5,662,076</u>	<u>\$ 133,395</u>	<u>\$ 1,538,189</u>	<u>\$ 4,257,282</u>

A. Bonds Authorized But Not Issued / Bonds Payable:

As of June 30, 2022, the District has no bonds authorized but not issued or bonded debt outstanding.

B. Financed Purchase Payable:

As of June 30, 2022, the District has no finance purchases payable.

C. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is \$790,962. The liability for compensated absences of the governmental fund types is recorded in the long-term liabilities. The current portion is \$65,989 and \$724,973 is the long-term portion. The General Fund will be used to liquidate the Compensated Absences Payable.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

C. Compensated Absences Payable: (Cont'd)

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, no liability existed for compensated absences in the Enterprise Funds.

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2022 is \$-0- and the long-term portion is \$3,466,320. See Note 9 for further information on the PERS.

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$342,672 for fiscal year 2022.

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

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

At June 30, 2022, the District reported a liability of \$3,466,320 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.0292%, which was a decrease of 0.0012% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the District recognized an actual pension benefit of \$604,787. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	5.48		\$ 146,487
	2018	5.63		274,633
	2019	5.21		242,274
	2020	5.16		570,638
	2021	5.13	\$ 18,053	
			<u>18,053</u>	<u>1,234,032</u>
Changes in Proportion	2017	5.48	1,561	
	2018	5.63		98,551
	2019	5.21		29,277
	2020	5.16		83,954
	2021	5.13		213,810
			<u>1,561</u>	<u>425,592</u>
Net Difference Between Projected and Actual				
Investment Earnings on Pension Plan Investments	2018	5.00		27,077
	2019	5.00		(8,737)
	2020	5.00		(196,901)
	2021	5.00		1,091,681
				<u>913,120</u>
Difference Between Expected and Actual Experience	2017	5.48	4,357	
	2018	5.63		10,459
	2019	5.21	18,519	
	2020	5.16	31,792	
	2021	5.13		14,356
			<u>54,668</u>	<u>24,815</u>
District Contribution Subsequent to the Measurement Date	2021	1.00	334,691	
			<u>\$ 408,973</u>	<u>\$ 2,597,559</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2022	\$ (817,900)
2023	(583,979)
2024	(398,174)
2025	(299,309)
2026	116
	\$ (2,099,246)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2021 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 4,723,037	\$ 3,466,320	\$ 2,403,364

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

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

Benefits Provided

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2022, the State of New Jersey contributed \$3,609,622 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$1,086,601.

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2022, the State's proportionate share of the net pension liability associated with the District was \$46,178,542. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.096%, which was an increase of .001% from its proportion measured as of June 30, 2020.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>46,178,542</u>
Total	<u><u>\$ 46,178,542</u></u>

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$1,086,601 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2022 financial statements.

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	8.5	\$153,774,925	
	2015	8.3	926,219,611	
	2016	8.3	3,000,278,784	
	2017	8.3		\$5,282,196,290
	2018	8.29		3,527,661,165
	2019	8.04		2,510,940,613
	2021	7.93	1,209,286,241	
			12,903,483,645	
			5,289,559,561	24,224,281,713
Difference Between Expected and Actual Experience	2014	8.5		1,464,605
	2015	8.3	57,204,429	
	2016	8.3		37,311,034
	2017	8.3	93,981,436	
	2018	8.29	618,845,893	
	2019	8.04		97,553,990
	2020	7.99		6,444,940
2021	7.93	171,234,070		
			941,265,828	142,774,569
Net Difference Between Projected and Actual	2018	5		96,030,373
Investment Earnings on Pension Plan Investments	2019	5		(72,441,385)
	2020	5		(724,186,621)
	2020	5		3,554,633,811
				2,854,036,178
			\$ 6,230,825,389	\$ 27,221,092,460

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



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

NOTE 9. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2022	\$ (2,914,282,899)
2023	(3,500,098,875)
2024	(4,665,036,366)
2025	(4,192,375,542)
2026	(2,350,648,872)
Thereafter	(3,367,824,517)
	\$ (20,990,267,071)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments in determining the total pension liability.

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

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

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 54,636,940	\$ 46,178,542	\$ 39,074,029

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

For DCRP, the District recognized pension expense of \$38,231 for the fiscal year ended June 30, 2022. Employee contributions to DCRP amounted to \$51,917 for the fiscal year ended June 30, 2022.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits are provided through Horizon Blue Cross/Blue Shield of NJ.

Property and Liability Insurance

The Sussex-Wantage Regional School District is a member of the School Alliance Insurance Fund (the "Fund"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Fund is a risk-sharing public entity risk management pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum.

Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

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

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

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

Selected, summarized financial information for the Fund as of June 30, 2022 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	<u>\$ 52,198,217</u>
Net Position	<u>\$ 20,990,635</u>
Total Revenue	<u>\$ 48,115,160</u>
Total Expenses	<u>\$ 48,116,040</u>
Change in Net Position	<u>\$ (880)</u>
Member Dividends	<u>\$ -0-</u>

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

Public Entity Group Administrative Services  
51 Everett Drive  
Suite B-40  
West Windsor, NJ 08550  
(609) 275-1155

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ 781	\$ 37,831	\$ 37,831	\$ 501,073
2020-2021	959	61,767	41,399	500,292
2019-2020	1,002	46,481	83,049	478,965

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

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 358,527	
Special Revenue Fund		\$ 271,231
Food Service Fund		87,296
	\$ 358,527	\$ 358,527

The interfund payable in the Food Service Fund due to the General Fund is for equipment purchases and repairs paid by the General Fund on behalf of the Food Service Fund in the prior year and the current year, offset by current year subsidy claim reimbursements received in the General Fund and not turned over to the Food Service Fund. The interfund receivable in the General Fund due from the Special Revenue Fund is due to the cash deficit in the Special Revenue Fund due to the timing lag between request and receipt of grant reimbursements.

NOTE 13. DEFERRED COMPENSATION

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

The 403(b) plan administrators are as follows:

Variable Annuity Life (VALIC)	Lincoln Investment Planning
Equitable Life Insurance Company	Lincoln National Life
Metropolitan Life Insurance Company	Security Benefit Corp.

Equitable Life Insurance Company is the plan administrator for the District's Internal Revenue Code Section 457 plan.

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

NOTE 14. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the local school district on predetermined mutually agreed-upon schedules.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Litigation

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

Encumbrances

At June 30, 2022, there were encumbrances as detailed below in the governmental funds:

<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<u>\$ 656,780</u>	<u>\$ 124,917</u>	<u>\$ 781,697</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2022, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$124,917 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

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

NOTE 16. ACCOUNTS PAYABLE

	<u>Governmental Funds</u>		District Contri- bution Subsequent to the Measure- ment Date	Total Governmental Activities
	General Fund	Special Revenue Fund		
Vendors	\$ 82,152	\$ 47,577		\$ 129,729
Payroll Deductions and Withholdings	138,938			138,938
Accrued Salaries and Wages	709,258			709,258
Due to State of New Jersey			\$ 334,691	334,691
	<u>\$ 930,348</u>	<u>\$ 47,577</u>	<u>\$ 334,691</u>	<u>\$ 1,312,616</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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



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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

Plan Description and Benefits Provided (Cont'd)

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

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

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

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	149,304
Active Plan Members	216,804
Total	366,108

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

Actuarial Assumptions and Other Inputs

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

Inflation Rate	2.50%	
	TPAF/ABP	PERS
Salary Increases:		
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter	1.55 - 4.45% based on service years	3.00 - 7.00% based on service years

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018 and July 1, 2014 - June 30, 2018 for TPAF and PERS, respectively.

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

Mortality Rates

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

	Total OPEB Liability
Balance at June 30, 2019	\$ 48,484,349
Changes for Year:	
Service Cost	1,639,158
Interest on the Total OPEB Liability	1,731,421
Changes of Assumptions	14,282,975
Differences between Expected and Actual Experience	13,374,006
Gross Benefit Payments by the State	(1,361,257)
Contributions from Members	41,260
	29,707,563
Net Changes	29,707,563
Balance at June 30, 2020	\$ 78,191,912

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2020, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
Total OPEB Liability Attributable to the District	\$ 94,264,386	\$ 78,191,912	\$ 65,624,785

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2020, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 63,119,148	\$ 78,191,912	\$ 96,140,224

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

For the fiscal year ended June 30, 2022 the District recognized OPEB expense of \$2,925,239 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2020 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 4,745,343
	2018	9.51		4,176,797
	2019	9.29	\$ 562,988	
	2020	9.24	12,737,199	
			<u>13,300,187</u>	<u>8,922,140</u>
Differences between Expected and Actual Experience	2018	9.51		3,948,373
	2019	9.29		6,626,398
	2020	9.24	11,871,569	
			<u>11,871,569</u>	<u>10,574,771</u>
Changes in Proportion	N/A	N/A		3,499,361
			<u>\$ 25,171,756</u>	<u>\$ 22,996,273</u>

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2021	\$ 50,090
2022	50,091
2023	50,091
2024	50,091
2025	50,091
Thereafter	5,424,391
	\$ 5,674,845

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the net pension liability	0.0321296257%	0.0319647358%	0.0328190778%	0.0329008244%	0.0313916000%	0.0310869035%	0.0304780048%	0.0292602897%
District's proportionate share of the net pension liability	\$ 6,015,545	\$ 7,175,443	\$ 9,720,070	\$ 7,658,786	\$ 6,180,850	\$ 5,601,388	\$ 4,970,166	\$ 3,466,320
District's covered employee payroll	\$ 2,191,492	\$ 2,205,424	\$ 2,271,942	\$ 2,171,489	\$ 2,139,147	\$ 2,176,370	\$ 2,141,306	\$ 2,138,878
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	274.50%	325.35%	427.83%	352.70%	288.94%	257.37%	232.11%	162.06%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 264,872	\$ 274,811	\$ 292,386	\$ 307,366	\$ 319,628	\$ 303,259	\$ 333,415	\$ 342,672
Contributions in relation to the contractually required contribution	(264,872)	(274,811)	(292,386)	(307,366)	(319,628)	(303,259)	(333,415)	(342,672)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 2,205,424	\$ 2,271,942	\$ 2,171,489	\$ 2,139,147	\$ 2,176,370	\$ 2,141,306	\$ 2,138,878	\$ 2,083,108
Contributions as a percentage of covered employee payroll	12.01%	12.10%	13.46%	14.37%	14.69%	14.16%	15.59%	16.45%

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATES PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT  
ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
State's proportion of the net pension liability attributable to the District	0.0987102624%	0.0990234474%	0.0967929031%	0.0982149259%	0.0982084846%	0.0955000726%	0.0949225677%	0.0960548329%
State's proportionate share of the net pension liability attributable to the District	\$ 52,757,423	\$ 62,587,047	\$ 76,143,460	\$ 66,220,045	\$ 62,478,128	\$ 58,609,296	\$ 62,505,369	\$ 46,178,542
District's covered employee payroll	\$ 9,723,839	\$ 9,630,467	\$ 10,159,774	\$ 10,058,856	\$ 9,863,448	\$ 10,456,315	\$ 9,858,265	\$ 9,693,836
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	542.56%	649.89%	749.46%	658.33%	633.43%	560.52%	634.04%	476.37%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 2,838,845	\$ 3,821,503	\$ 5,721,122	\$ 4,587,389	\$ 3,642,256	\$ 3,456,933	\$ 3,886,850	\$ 1,086,601
Contributions in relation to the contractually required contribution	(535,357)	(774,962)	(1,066,097)	(1,446,265)	(1,878,255)	(2,082,015)	(2,792,198)	(3,609,622)
Contribution deficiency/(excess)	<u>\$ 2,303,488</u>	<u>\$ 3,046,541</u>	<u>\$ 4,655,025</u>	<u>\$ 3,141,124</u>	<u>\$ 1,764,001</u>	<u>\$ 1,374,918</u>	<u>\$ 1,094,652</u>	<u>\$ (2,523,021)</u>
District's covered employee payroll	9,723,839	9,630,467	10,159,774	10,058,856	9,863,448	9,858,265	9,693,836	10,488,668
Contributions as a percentage of covered employee payroll	5.51%	8.05%	10.49%	14.38%	19.04%	21.12%	28.80%	34.41%

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY  
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST FOUR FISCAL YEARS

	Fiscal Years Ending June 30,		
	2017	2018	2019
Service Cost			2020
Interest on the Total OPEB Liability	\$ 2,341,403	\$ 1,948,967	\$ 1,629,896
Changes in Assumptions	2,074,882	2,398,940	2,172,888
Differences between Expected and Actual Experience	(8,371,803)	(6,338,186)	722,906
Contributions from Members	56,092	51,044	(9,829,462)
Gross Benefit Payments by the State	(1,523,308)	(1,476,893)	44,118
			(1,488,325)
Net Change in Total OPEB Liability	(5,422,734)	(10,534,856)	(6,747,979)
Total OPEB Liability - Beginning	71,189,918	65,767,184	55,232,328
Total OPEB Liability - Ending	\$ 65,767,184	\$ 55,232,328	\$ 48,484,349
District's Covered Employee Payroll *	\$ 12,431,716	\$ 12,230,345	\$ 12,002,595
Total OPEB Liability as a Percentage of Covered Employee Payroll	529%	452%	404%
			619%

\* - Covered payroll for the fiscal years ending June 30, 2017, 2018, 2019 and 2020 are based on the payroll on the June 30, 2016, 2017, 2018 and 2019 census data.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2020 was 2.21%. The discount rate for June 30, 2019 was 3.50%, a change of -1.29%.

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

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

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

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

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

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

Changes of Actuarial Assumptions (Cont'd)

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

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

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

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

BUDGETARY COMPARISON SCHEDULES

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 16,643,603		\$ 16,643,603	\$ 16,643,603	
Tuition From Other LEAs Within the State			85,001	89,401	\$ 24,590
Transportation Fees From Other LEAs	85,001		85,001	89,401	4,400
Unrestricted Miscellaneous Revenues	50,000		50,000	83,558	33,558
Interest Earned				16,773	16,773
Other Restricted Miscellaneous Revenues				781	781
Total Revenues from Local Sources	<u>16,778,604</u>		<u>16,778,604</u>	<u>16,858,706</u>	<u>80,102</u>
Revenues from State Sources:					
School Choice Aid	32,823		32,823	32,823	
Categorical Transportation Aid	784,782		784,782	784,782	
Extraordinary Aid	400,000		400,000	654,866	254,866
Categorical Special Education Aid	833,307		833,307	833,307	
Equalization Aid	3,890,820		3,890,820	3,890,820	
Categorical Security Aid	155,733		155,733	155,733	
Nonpublic Transportation Aid	15,000		15,000	14,831	(169)
TPAF Post Retirement Contributions (Non-Budgeted)				855,252	855,252
TPAF Pension Contributions (Non-Budgeted)				3,609,622	3,609,622
TPAF Non-Contributory Insurance (Non-Budgeted)				50,927	50,927
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,152	1,152
Reimbursed TPAF Social Security Contributions				758,897	758,897
Total Revenues from State Sources	<u>6,112,465</u>		<u>6,112,465</u>	<u>11,643,012</u>	<u>5,530,547</u>
Revenues from Federal Sources:					
Medicaid Reimbursement	57,560		57,560	67,216	9,656
Total Revenues from Federal Sources	<u>57,560</u>		<u>57,560</u>	<u>67,216</u>	<u>9,656</u>
TOTAL REVENUE	<u>22,948,629</u>		<u>22,948,629</u>	<u>28,568,934</u>	<u>5,620,305</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 563,488	\$ (40,036)	\$ 523,452	423,998	\$ 99,454
Grades 1-5 - Salaries of Teachers	2,786,745	(84,530)	2,702,215	2,679,785	22,430
Grades 6-8 - Salaries of Teachers	2,148,965	19,272	2,168,237	2,168,237	
Purchased Technical Services	770	(770)			
General Supplies	20,323	(20,323)			
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000	(2,500)	2,500		2,500
Purchased Professional-Educational Services	5,000	(2,211)	2,789	2,293	496
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	211,894		211,894	49,654	162,240
Purchased Professional-Educational Services	96,734	3,050	99,784	99,784	
Purchased Technical Services	3,300	768	4,068	3,167	901
Other Purchased Services (400-500 series)	5,000		5,000	1,830	3,170
General Supplies	343,038	15,216	358,254	238,736	119,518
Textbooks	88,000		88,000	85,584	2,416
Other Objects	30,574		30,576	30,576	
<b>Total Regular Programs - Instruction</b>	<b>6,308,831</b>	<b>(112,062)</b>	<b>6,196,769</b>	<b>5,783,644</b>	<b>413,125</b>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	241,965	132,140	374,105	374,105	
Other Salaries for Instruction	106,891	84,074	190,965	180,455	10,510
General Supplies	5,872		5,872	4,492	1,380
Textbooks	600		600		600
<b>Total Learning and/or Language Disabilities</b>	<b>355,328</b>	<b>216,214</b>	<b>571,542</b>	<b>559,052</b>	<b>12,490</b>



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of Teachers	\$ 322,100	\$ 49,755	\$ 371,855	\$ 371,855	
Other Salaries for Instruction	320,204	99,474	419,678	419,609	\$ 69
General Supplies	5,406	(1)	5,405	4,567	838
Total Multiple Disabilities	647,710	149,228	796,938	796,031	907
Resource Room/Resource Center:					
Salaries of Teachers	1,528,885	40,738	1,569,623	1,480,445	89,178
Other Salaries for Instruction	154,735		154,735	107,410	47,325
General Supplies	14,260		14,260	6,171	8,089
Total Resource Room/Resource Center	1,697,880	40,738	1,738,618	1,594,026	144,592
Autism:					
Salaries of Teachers	147,960	(85,116)	62,844	58,085	4,759
Other Salaries for Instruction	247,633	(149,245)	98,388	98,388	
General Supplies	2,536		2,536	458	2,078
Total Autism	398,129	(234,361)	163,768	156,931	6,837
Preschool Disabilities - Part-Time:					
Salaries of Teachers	235,050	(862)	234,188	234,188	
Other Salaries for Instruction	123,843	21,525	145,368	145,368	
General Supplies	3,650	(663)	2,987	2,927	60
Total Preschool Disabilities - Part-Time	362,543	20,000	382,543	382,483	60
Home Instruction:					
Salaries of Teachers	7,500	48,282	55,782	47,606	8,176
Total Home Instruction	7,500	48,282	55,782	47,606	8,176
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>3,469,090</b>	<b>240,101</b>	<b>3,709,191</b>	<b>3,536,129</b>	<b>173,062</b>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 274,030	\$ (9,000)	\$ 265,030	\$ 208,288	\$ 56,742
General Supplies	4,149		4,149	1,546	2,603
Total Basic Skills/Remedial - Instruction	<u>278,179</u>	<u>(9,000)</u>	<u>269,179</u>	<u>209,834</u>	<u>59,345</u>
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	81,826		81,826	66,183	15,643
Purchased Services (300-500 series)	5,000	(1,165)	3,835	2,440	1,395
Supplies and Materials	5,000	(2,378)	2,622	2,622	
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	<u>91,826</u>	<u>(3,543)</u>	<u>88,283</u>	<u>71,245</u>	<u>17,038</u>
Other Supplemental/At Risk Programs - Instruction:					
Salaries of Teachers	61,340	9,643	70,983	70,518	465
Salaries of Reading Specialists	127,073	115,394	242,467	242,197	270
General Supplies	4,500		4,500	14	4,486
Total Other Suppl/at-risk Prog - Instruction	<u>192,913</u>	<u>125,037</u>	<u>317,950</u>	<u>312,729</u>	<u>5,221</u>
Other Alternative Ed Program - Instruction:					
Salaries of Teachers	61,335	(4,700)	56,635	34,251	22,384
General Supplies	2,000		2,000	75	1,925
Total Other Alternative Ed Prog - Instruction	<u>63,335</u>	<u>(4,700)</u>	<u>58,635</u>	<u>34,326</u>	<u>24,309</u>
<b>TOTAL INSTRUCTION</b>	<b>10,404,174</b>	<b>235,833</b>	<b>10,640,007</b>	<b>9,947,907</b>	<b>692,100</b>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	218,980	62,434	281,414	277,524	3,890
Tuition to Priv. Sch. for the Handicap. W/I State	73,920	(62,434)	11,486		11,486
Tuition - State Facilities	39,872		39,872	39,872	
Total Undistributed Expenditures - Instruction	<u>332,772</u>		<u>332,772</u>	<u>317,396</u>	<u>15,376</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work:					
Salaries of Drop-Out Prevention Officer/Coordinators	\$ 1,000		\$ 1,000		\$ 1,000
Total Undist. Expend. - Attendance and Social Work	1,000		1,000		1,000
Undistributed Expenditures - Health Services:					
Salaries	245,765	\$ 51,007	296,772	\$ 296,772	
Purchased Professional and Technical Services	2,500	2,250	4,750	4,193	557
Other Purchased Services (400-500 series)	5,000		5,000	5,000	
Supplies and Materials	10,650		10,650	8,778	1,872
Other Objects	7,050	(3,000)	4,050	2,095	1,955
Total Undist. Expenditures - Health Services	270,965	50,257	321,222	316,838	4,384
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	256,850	900	257,750	257,750	
Purchased Professional - Educational Services	214,192	(12,789)	201,403	145,971	55,432
Supplies and Materials	4,202	(900)	3,302	2,735	567
Total Undist. Expend. - Speech, OT, PT, Related Svcs	475,244	(12,789)	462,455	406,456	55,999
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	214,840	(19,000)	195,840	195,670	170
Total Undist. Expend. - Guidance	214,840	(19,000)	195,840	195,670	170
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	937,332	35,995	973,327	973,327	
Salaries of Secretarial and Clerical Assistants	125,603	30	125,633	125,633	
Purchased Professional - Educational Services	12,650	(31)	12,619	12,150	469
Total Undist. Expend. - Child Study Team	1,075,585	35,994	1,111,579	1,111,110	469

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	\$ 228,550	\$	228,550	\$ 228,501	\$ 49
Salaries of Technology Coordinators	121,624		121,624	113,791	7,833
Supplies and Materials	31,989		31,989	20,746	11,243
Total Undist Expend-Edu. Media Serv./Sch. Library	<u>382,163</u>		<u>382,163</u>	<u>363,038</u>	<u>19,125</u>
Undist.Expend.-Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	20,105		20,105	20,105	
Salaries of Secretarial and Clerical Assistants	23,062	\$ 24	23,086	23,086	
Purchased Professional - Educational Service	41,495	(15,281)	26,214	4,917	21,297
Supplies and Materials	5,715		5,715	5,715	
Other Objects	500		500	500	
Total Undist.Expend.-Instructional Staff Training Services	<u>90,877</u>	<u>(15,257)</u>	<u>75,620</u>	<u>48,108</u>	<u>27,512</u>
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	234,968	5,025	239,993	239,993	
Legal Services	50,000	(7,693)	42,307	41,181	1,126
Audit Fees	63,750	2,750	66,500	33,000	33,500
Other Purchased Professional Services	35,110	3,754	38,864	38,864	
Purchased Technical Services	4,685	(4,641)	44	44	
Communications / Telephone	73,409	4,358	77,767	77,767	
Other Purch. Serv. (400-500 series other than 530 & 585)	54,430	1,590	56,020	56,020	
General Supplies	5,500	(1,436)	4,064	1,608	2,456
Miscellaneous Expenditures	13,896	(3,702)	10,194	8,094	2,100
BOE Membership Dues and Fees	12,000	(5)	11,995	11,666	329
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>547,748</u>		<u>547,748</u>	<u>508,193</u>	<u>39,555</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 311,159	\$ 10,001	\$ 321,160	321,160	
Salaries of Secretarial and Clerical Assistants	268,452	9,558	278,010	277,342	\$ 668
Purchased Professional and Technical Services	26,227	13,200	13,200	13,200	
Supplies and Materials	25,489	(10,243)	15,984	8,753	7,231
Other Objects	631,327	(10,515)	14,974	14,077	897
Total Undist. Expend.-Support Serv.-School Adm.		12,001	643,328	634,532	8,796
Undist. Expend. - Central Services:					
Salaries	320,152	35	320,187	320,187	
Purchased Professional Services	10,550	(35)	10,515	3,055	7,460
Supplies and Materials	5,000		5,000	4,649	351
Other Objects	3,680		3,680	1,198	2,482
Total Undist. Expend. - Central Services	339,382		339,382	329,089	10,293
Undist. Expend. - Admin. Info. Technology:					
Salaries	106,866		106,866	106,866	
Purchased Professional Services	117,188		117,188	70,361	46,827
Supplies and Materials	13,755		13,755	10,135	3,620
Other Objects	10,000		10,000	915	9,085
Total Undist. Expend. - Admin. Info. Technology	247,809		247,809	188,277	59,532

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	\$ 369,045		\$ 369,045	\$ 340,911	\$ 28,134
Cleaning, Repair, and Maintenance Services	118,144		118,144	49,998	68,146
General Supplies	88,066	\$ (535)	87,531	46,229	41,302
Total Undist. Expend.- Required Maint. for School Facilities	<u>575,255</u>	<u>(535)</u>	<u>574,720</u>	<u>437,138</u>	<u>137,582</u>
Undist. Expend.-Custodial Services:					
Salaries	544,675		544,675	506,071	38,604
Cleaning, Repair, and Maintenance Services	214,543	(30,466)	184,077	143,827	40,250
Other Purchased Property Services	108,720		108,720	75,222	33,498
Insurance	188,608	11,030	199,638	199,636	2
Miscellaneous Purchased Services	103,400		103,400	89,787	13,613
General Supplies	93,910	(18,530)	75,380	42,984	32,396
Energy (Natural Gas)	125,000	33,500	158,500	156,431	2,069
Energy (Electricity)	170,000		170,000	157,025	12,975
Other Objects	14,300		14,300	9,298	5,002
Total Undist. Expend.-Custodial Services	<u>1,563,156</u>	<u>(4,466)</u>	<u>1,558,690</u>	<u>1,380,281</u>	<u>178,409</u>
Security:					
Salaries	147,109		147,109	136,369	10,740
Purchased Professional and Technical Services	9,447		9,447	8,588	859
General Supplies	1,500		1,500	953	547
Other Objects	500		500	490	10
Total Security	<u>158,556</u>		<u>158,556</u>	<u>146,400</u>	<u>12,156</u>
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	<u>2,296,967</u>	<u>(5,001)</u>	<u>2,291,966</u>	<u>1,963,819</u>	<u>328,147</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 406,944	\$ (1,500)	\$ 405,444	\$ 365,155	\$ 40,289
Other Purchased Professional and Technical Services	6,500	(1,250)	5,250	3,750	1,500
Cleaning, Repair, and Maint. Services	40,000	(85)	39,915	31,198	8,717
Rental Payments - School Buses	10,000	(10,000)			
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	30,000	2,000	32,000	31,500	500
Contract. Serv.(Bet. Home & Sch.)-Vendors	664,745	50,169	714,914	714,912	2
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	107,427	39,165	146,592	146,592	
Contract. Serv.(Bet. Home & Sch.)-Joint Agrmnts.	53,447	7,309	60,756	54,528	6,228
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts	220,000	(65,129)	154,871	82,296	72,575
Misc. Purchased Serv. - Transportation	50		50		50
Transportation Supplies	85,000		85,000	80,574	4,426
Other Objects	49,175	(3,812)	45,363	22,760	22,603
<b>Total Undist. Expend.-Student Trans. Serv.</b>	<b>1,673,288</b>	<b>16,867</b>	<b>1,690,155</b>	<b>1,533,265</b>	<b>156,890</b>
<b>UNALLOCATED BENEFITS</b>					
Social Security Contributions	325,000		325,000	324,723	277
Other Retirement Contributions - PERS	348,454	(5,782)	342,672	342,672	
Unemployment Compensation	25,000	(25,000)			
Workers Compensation	192,597	(22,549)	170,048	170,048	
Health Benefits	3,948,548	(262,476)	3,686,072	2,952,888	733,184
Tuition Reimbursement	62,000		62,000	46,840	15,160
Other Employee Benefits	83,240		83,240	51,093	32,147
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>4,984,839</b>	<b>(315,807)</b>	<b>4,669,032</b>	<b>3,888,264</b>	<b>780,768</b>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>					
TPAF Post Retirement Contributions (Non-Budgeted)			\$ 855,252	\$ (855,252)	
TPAF Pension Contributions (Non-Budgeted)			3,609,622	(3,609,622)	
TPAF Non-Contributory Insurance (Non-Budgeted)			50,927	(50,927)	
TPAF Long-Term Disability Insurance (Non-Budgeted)			1,152	(1,152)	
Reimbursed TPAF Social Security Contributions			758,897	(758,897)	
<b>TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>			<u>5,275,850</u>	<u>(5,275,850)</u>	
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	\$ 4,984,839	\$ (315,807)	\$ 4,669,032	9,164,114	(4,495,082)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<u>13,564,806</u>	<u>(252,735)</u>	<u>13,312,071</u>	<u>17,079,905</u>	<u>(3,767,834)</u>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<u>23,968,980</u>	<u>(16,902)</u>	<u>23,952,078</u>	<u>27,027,812</u>	<u>(3,075,734)</u>
<b>CAPITAL OUTLAY</b>					
Equipment					
Kindergarten		4,466	4,466	4,466	
Grades 1-5		17,413	17,413	17,410	3
Grades 6-8	11,813	(11,813)			
Undistributed:					
Undistributed Expenditures - Admin. Info. Tech.	107,786		107,786	38,463	69,323
Undist. Expend. - Required Maint for School Fac.	27,500	536	28,036	28,036	
School Buses - Special	132,000		132,000	131,063	937
Total Equipment	<u>279,099</u>	<u>10,602</u>	<u>289,701</u>	<u>214,972</u>	<u>74,729</u>
Facilities Acquisition and Construction Serv.:					
Other Purchased Prof. and Tech. Services	238,575		238,575	140,448	98,127
Construction Services	2,287,605		2,287,605	1,277,799	1,009,806
Assessment for Debt Service on SDA Funding	1,273		1,273	1,273	
Total Facilities Acquisition and Const. Serv.	<u>2,527,453</u>		<u>2,527,453</u>	<u>1,419,520</u>	<u>1,107,933</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>2,806,552</u>	<u>10,602</u>	<u>2,817,154</u>	<u>1,634,492</u>	<u>1,182,662</u>



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Transfer of Funds to Charter Schools	\$ 839,490	\$ 6,300	\$ 845,790	\$ 845,790	
<b>TOTAL EXPENDITURES</b>	<b>27,615,022</b>		<b>27,615,022</b>	<b>29,508,094</b>	<b>\$ (1,893,072)</b>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(4,666,393)		(4,666,393)	(939,160)	3,727,233
Fund Balance, July 1	8,991,720		8,991,720	8,991,720	
Fund Balance, June 30	<b>4,325,327</b>	<b>-0-</b>	<b>4,325,327</b>	<b>8,052,560</b>	<b>3,727,233</b>
<u>Recapitulation:</u>					
Restricted Fund Balance:				\$ 2,092,052	
Excess Surplus - Restricted For 2023-2024				2,070,635	
Excess Surplus - Restricted For 2022-2023				1,257,864	
Capital Reserve				250,000	
Maintenance Reserve				501,073	
Unemployment Compensation				656,780	
Assigned Fund Balance:				1,224,156	
Year End Encumbrances				8,052,560	
Unassigned Fund Balance				(562,553)	
Reconciliation to Governmental Funds Statement (GAAP):				\$ 7,490,007	
Last State Aid Payments not Recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)				<b>7,490,007</b>	

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 98,526	\$ 40,215	\$ 40,215	\$ 40,096	(119)
State Sources		(6,580)	91,946	57,362	\$ (34,584)
Federal Sources	618,335	2,246,848	2,865,183	1,009,205	(1,855,978)
<b>Total Revenues</b>	<b>716,861</b>	<b>2,280,483</b>	<b>2,997,344</b>	<b>1,106,663</b>	<b>(1,890,681)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	84,000	80,000	164,000	94,000	70,000
Other Salaries for Instruction	62,766	(16,779)	45,987	31,536	14,451
Purchased Professional - Educational Services	82,000	21,000	103,000	102,605	395
Purchased Professional and Technical Services		8,201	8,201	4,804	3,397
Other Purchased Services	204,464	95,536	300,000	170,294	129,706
General Supplies	22,378	358,494	380,872	118,956	261,916
Textbooks	3,482	(901)	2,581	2,457	124
<b>Total Instruction</b>	<b>459,090</b>	<b>545,551</b>	<b>1,004,641</b>	<b>524,652</b>	<b>479,989</b>
Support Services:					
Salaries of Other Professional Staff	63,284	197,616	260,900	95,996	164,904
Personal Services - Employee Benefits	33,600	135,387	168,987	42,987	126,000
Purchased Professional/Educational Services	139,984	141,221	281,205	117,629	163,576
Purchased Professional and Technical Services	20,903	(6,483)	14,420	11,240	3,180
Other Purchased Services		12,027	12,027		12,027
Supplies and Materials		491,274	491,274	71,074	420,200
Student Activities		36,220	36,220	36,220	
<b>Total Support Services</b>	<b>257,771</b>	<b>1,007,262</b>	<b>1,265,033</b>	<b>375,146</b>	<b>889,887</b>
Facilities Acquisition and Construction Services:					
Construction Services		709,500	709,500	203,870	505,630
<b>Total Facilities Acquisition and Construction Services</b>		<b>724,675</b>	<b>724,675</b>	<b>203,870</b>	<b>520,805</b>
<b>Total Expenditures</b>	<b>716,861</b>	<b>2,277,488</b>	<b>2,994,349</b>	<b>1,103,668</b>	<b>1,890,681</b>
Excess/(Deficit) of Revenue	\$ -0-	\$ 2,995	\$ 2,995	\$ 2,995	\$ -0-
Over/(Under) Expenditures					

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 28,568,934	\$ 1,106,663
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not:		
Prior Year Encumbrances		11,277
Current Year Encumbrances		(124,917)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	635,308	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(562,553)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 28,641,689	\$ 993,023
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 29,508,094	\$ 1,103,668
Differences - Budgetary to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Prior Year Encumbrances		11,277
Current Year Encumbrances		(124,917)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 29,508,094	\$ 990,028

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

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for the fiscal year ending June 30, 2022, was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Local Grants	Student Activities	Elementary and Secondary Education				ARP IDEA	
			Title I	Title I - SIA	Title II	Basic	Preschool	
REVENUE:								
Local Sources	881	\$ 39,215						
State Sources			\$ 153,490	\$ 21,375	\$ 15,170	\$ 8,195	\$ 4,312	
Federal Sources								
Total Revenue	881	39,215	153,490	21,375	15,170	8,195	4,312	
EXPENDITURES:								
Instruction:								
Salaries of Teachers			94,000					
Other Salaries for Instruction								
Purchased Professional/Educational Services								
Purchased Professional and Technical Services								
Other Purchased Services			493	10,343		7,664		
General Supplies								
Textbooks								
Total Instruction			94,493	10,343		7,664		
Support Services:								
Salaries of Other Professional Staff			16,010	11,032			4,312	
Personal Services - Employee Benefits			42,987					
Purchased Professional/Educational Services					15,170			
Purchased Professional and Technical Services								
Supplies and Materials	881	36,220					531	
Student Activities								
Total Support Services	881	36,220	58,997	11,032	15,170	531	4,312	
Facilities Acquisition and Construction Services:								
Construction Services								
Total Facilities Acquisition and Construction Services								
Total Expenditures	881	\$ 36,220	\$ 153,490	\$ 21,375	\$ 15,170	\$ 8,195	\$ 4,312	

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	IDEA Part B		Chapter 192 Auxiliary Aid		Chapter 193		
	Basic	Preschool	English as a Second Language	Compensatory Education	Examination and Classification	Supplementary Instruction	Nonpublic Handicapped Aid
REVENUE:							
Local Sources							
State Sources	\$ 363,164	\$ 20,216	\$ 3,015	\$ 12,541	\$ 10,997	\$ 5,534	\$ 7,998
Federal Sources							
Total Revenue	\$ 363,164	20,216	3,015	12,541	10,997	5,534	7,998
EXPENDITURES:							
Instruction:							
Salaries of Teachers							
Other Salaries for Instruction	102,605			12,541	10,997		7,998
Purchased Professional/Educational Services							
Purchased Professional and Technical Services	170,294		3,015				
Other Purchased Services	492						
General Supplies							
Textbooks							
Total Instruction	273,391		3,015	12,541	10,997		7,998
Support Services:							
Salaries of Other Professional Staff		20,216					
Personal Services - Employee Benefits							
Purchased Professional/Educational Services	89,773					5,534	
Purchased Professional and Technical Services							
Supplies and Materials							
Student Activities							
Total Support Services	89,773	20,216				5,534	
Facilities Acquisition and Construction Services:							
Construction Services							
Total Facilities Acquisition and Construction Services							
Total Expenditures	\$ 363,164	\$ 20,216	\$ 3,015	\$ 12,541	\$ 10,997	\$ 5,534	\$ 7,998



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	CARES Emergency Relief	ESSER II	CRRSA Learning Acceleration	Mental Health	ESSER III	ARP Accelerated Learning	NJTSS Mental Health
REVENUE:							
Local Sources							
State Sources							
Federal Sources	\$ 120	\$ 273,183	\$ 20,487	\$ 3,000	\$ 113,605	\$ 9,053	\$ 3,835
Total Revenue	120	273,183	20,487	3,000	113,605	9,053	3,835
EXPENDITURES:							
Instruction:							
Salaries of Teachers							
Other Salaries for Instruction							
Purchased Professional/Educational Services							
Purchased Professional and Technical Services							
Other Purchased Services		35,234			50,086	7,319	
General Supplies							
Textbooks							
Total Instruction		35,234			50,086	7,319	
Support Services:							
Salaries of Other Professional Staff		29,878	14,548				
Personal Services - Employee Benefits							
Purchased Professional/Educational Services		7,952		3,000		1,734	
Purchased Professional and Technical Services							
Supplies and Materials	120	30,849	5,939		28,919		3,835
Student Activities							
Total Support Services	120	68,679	20,487	3,000	28,919	1,734	3,835
Facilities Acquisition and Construction Services:							
Construction Services		169,270			34,600		
Total Facilities Acquisition and Construction Services		169,270			34,600		
Total Expenditures	\$ 120	\$ 273,183	\$ 20,487	\$ 3,000	\$ 113,605	\$ 9,053	\$ 3,835

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Nonpublic Security Aid	Nonpublic Technology Aid	Nonpublic Textbook Aid	Nonpublic Nursing Aid	Totals
REVENUE:					
Local Sources					
State Sources	\$ 7,325	\$ 1,789	\$ 2,457	\$ 5,706	\$ 40,096
Federal Sources					57,362
Total Revenue	7,325	1,789	2,457	5,706	1,009,205
EXPENDITURES:					
Instruction:					
Salaries of Teachers					94,000
Other Salaries for Instruction					31,536
Purchased Professional/Educational Services		1,789			102,605
Purchased Professional and Technical Services					4,804
Other Purchased Services	7,325				170,294
General Supplies					118,956
Textbooks			2,457		2,457
Total Instruction	7,325	1,789	2,457		524,652
Support Services:					
Salaries of Other Professional Staff					95,996
Personal Services - Employee Benefits					42,987
Purchased Professional/Educational Services				5,706	117,629
Purchased Professional and Technical Services					11,240
Supplies and Materials					71,074
Student Activities					36,220
Total Support Services				5,706	375,146
Facilities Acquisition and Construction Services:					
Construction Services					203,870
Total Facilities Acquisition and Construction Services					203,870
Total Expenditures	\$ 7,325	\$ 1,789	\$ 2,457	\$ 5,706	\$ 1,103,668

CAPITAL PROJECTS FUND

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Fund Balance - Beginning	<u>\$ 27,637</u>
Fund Balance - Ending	<u><u>\$ 27,637</u></u>
 <u>Recapitulation:</u>	
Committed	<u>\$ 27,637</u>
Fund Balance per Governmental Funds (GAAP)/(Budgetary)	<u><u>\$ 27,637</u></u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
SOLAR PANEL PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Contribution from Private Source	\$ 70,680		\$ 70,680	\$ 70,680
Total Revenue and Other Financing Sources	<u>70,680</u>		<u>70,680</u>	<u>70,680</u>
Expenditures:				
Purchased Professional and Technical Services	43,043		43,043	70,680
Total Expenditures	<u>43,043</u>		<u>43,043</u>	<u>70,680</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 27,637</u>	<u>\$ -0-</u>	<u>\$ 27,637</u>	<u>\$ -0-</u>
Additional Project Information:				
Project Number(s)	N/A			
Grant Date(s)	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 20,000			
Additional Funds	\$ 50,680			
Revised Authorized Cost	<u>\$ 70,680</u>			
Change Order Percentage	253.40%			
Percentage Completion	60.90%			
Original Target Completion Date	06/30/13			
Revised Target Completion Date	06/30/23			

PROPRIETARY FUNDS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major</u> <u>Fund</u>	
	<u>Food</u> <u>Service</u>	<u>Care Program</u>	<u>Total</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 225,606	\$ 149,360	\$ 374,966
Intergovernmental Accounts Receivable:			
State	898		898
Federal	50,008		50,008
Other Accounts Receivable	310	16,523	16,833
Inventories	17,469		17,469
Total Current Assets	<u>294,291</u>	<u>165,883</u>	<u>460,174</u>
Non-Current Assets:			
Capital Assets	278,776		278,776
Accumulated depreciation	(230,508)		(230,508)
Total Non-Current Assets	<u>48,268</u>		<u>48,268</u>
Total Assets	<u>342,559</u>	<u>165,883</u>	<u>508,442</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Interfund Payable	87,296		87,296
Unearned Revenue - Donated Commodities	5,847		5,847
Unearned Revenue - Prepaid Sales/Fees	4,008	12,665	16,673
Total Current Liabilities	<u>97,151</u>	<u>12,665</u>	<u>109,816</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	48,268		48,268
Unrestricted	197,140	153,218	350,358
Total Net Position	<u>\$ 245,408</u>	<u>\$ 153,218</u>	<u>\$ 398,626</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major</u> <u>Fund</u>	
	<u>Food</u>		
	<u>Service</u>	<u>Care Program</u>	<u>Total</u>
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 23,217		\$ 23,217
Child Care Fees		\$ 166,421	166,421
Total Operating Revenue	<u>23,217</u>	<u>166,421</u>	<u>189,638</u>
Operating Expenses:			
Cost of Goods Sold - Reimbursable Programs	251,062		251,062
Salaries	161,340	114,960	276,300
Employee Benefits and Payroll Taxes	46,987		46,987
Purchased Services	14,401	3,176	17,577
Supplies and Materials		1,609	1,609
Depreciation	15,270		15,270
Other	31,340		31,340
Total Operating Expenses	<u>520,400</u>	<u>119,745</u>	<u>640,145</u>
Operating Income/(Loss)	<u>(497,183)</u>	<u>46,676</u>	<u>(450,507)</u>
Non-Operating Revenue:			
State Sources:			
COVID-19 - Seamless Summer Option	10,220		10,220
Federal Sources:			
COVID-19 Emergency Operational Cost Reimbursement Program	11,517		11,517
COVID-19 P-EBT Administrative Cost Reimbursement	1,242		1,242
COVID-19 - Seamless Summer Option - Breakfast	116,725		116,725
COVID-19 - Seamless Summer Option - Lunch	434,460		434,460
Food Distribution Program	46,446		46,446
Local Sources:			
Interest Revenue	305		305
Total Non-Operating Revenue	<u>620,915</u>		<u>620,915</u>
Change in Net Position	123,732	46,676	170,408
Net Position - Beginning of Year	<u>121,676</u>	<u>106,542</u>	<u>228,218</u>
Net Position - End of Year	<u>\$ 245,408</u>	<u>\$ 153,218</u>	<u>\$ 398,626</u>



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major</u>	
	<u>Food</u>	<u>Fund</u>	
	<u>Service</u>	<u>Care Program</u>	<u>Total</u>
Cash Flows for Operating Activities:			
Receipts from Customers	\$ 20,860	\$ 141,265	\$ 162,125
Payments for Salaries, Payroll Taxes and Benefits	(208,327)	(114,960)	(323,287)
Payments to Suppliers	(268,627)	(4,785)	(273,412)
Net Cash Provided by/(Used for) Operating Activities	(456,094)	21,520	(434,574)
Cash Flows from Noncapital Financing Activities:			
Federal and State Sources Received in Food Service Fund	585,382		585,382
Net Cash Provided by Noncapital Financing Activities	585,382		585,382
Cash Flows from Investing Activities:			
Interest on Investments	305		305
Net Cash Provided by Investing Activities	305		305
Net Increase in Cash and Cash Equivalents	129,593	21,520	151,113
Cash and Cash Equivalents, July 1	96,013	127,840	223,853
Cash and Cash Equivalents, June 30	\$ 225,606	\$ 149,360	\$ 374,966
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities			
Operating Income/(Loss)	\$ (497,183)	\$ 46,676	\$ (450,507)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for)			
Operating Activities:			
Depreciation	15,270		15,270
Food Distribution Program	46,446		46,446
Changes in Assets and Liabilities:			
Decrease in Inventory	5,462		5,462
(Increase)/Decrease in Other Accounts Receivable	3,966	(16,523)	(12,557)
(Decrease) in Accounts Payable	(20,814)		(20,814)
(Decrease) in Unearned Revenue:			
Donated Commodities	(6,884)		(6,884)
Prepaid Sales/Fees	(2,357)	(8,633)	(10,990)
Net Cash Provided by/(Used for) Operating Activities	\$ (456,094)	\$ 21,520	\$ (434,574)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$39,562 and utilized commodities valued at \$46,446 for the fiscal year ended June 30, 2022.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM DEBT  
(NOT APPLICABLE)

**STATISTICAL SECTION**  
**(UNAUDITED)**

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

**Contents**

**Exhibit**

**Financial Trends**

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

J-1 thru J-5

**Revenue Capacity**

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

J-6 thru J-9

**Debt Capacity**

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

J-10 thru J-13

**Demographic and Economic Information**

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

J-14 thru J-15

**Operating Information**

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

J-16 thru J-20

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT,

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,				
	2013	2014	2015	2016	2017
Governmental Activities					
Net Investment in Capital Assets					
Restricted	\$ 4,541,835	\$ 4,426,455	\$ 4,669,704	\$ 5,360,753	\$ 5,881,645
Unrestricted/(Deficit)	2,015,681	2,785,800	3,429,754	3,691,146	4,111,516
Total Governmental Activities Net Position	(471,386)	(6,932,568)	(6,651,551)	(7,024,574)	(7,596,477)
Total Governmental Activities Net Position	\$ 6,086,130	\$ 279,687	\$ 1,447,907	\$ 2,027,325	\$ 2,396,684
Business-type Activities					
Investment in Capital Assets					
Unrestricted	\$ 54,554	\$ 45,434	\$ 44,334	\$ 36,263	\$ 33,354
Total Business-type Activities Net Position	267,452	291,349	320,376	350,610	336,727
Total Business-type Activities Net Position	\$ 322,006	\$ 336,783	\$ 364,710	\$ 386,873	\$ 370,081
District-wide					
Net Investment in Capital Assets					
Restricted	\$ 4,596,389	\$ 4,471,889	\$ 4,714,038	\$ 5,397,016	\$ 5,914,999
Unrestricted/(Deficit)	2,015,681	2,785,800	3,429,754	3,691,146	4,111,516
Total District Net Position	(203,934)	(6,641,219)	(6,331,175)	(6,673,964)	(7,259,750)
Total District Net Position	\$ 6,408,136	\$ 616,470	\$ 1,812,617	\$ 2,414,198	\$ 2,766,765

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT,

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,			
	2018	2019	2020	2021
Governmental Activities				
Net Investment in Capital Assets	\$ 5,981,976	\$ 6,247,652	\$ 6,709,860	\$ 6,769,149
Restricted	4,670,087	3,832,735	5,400,538	6,494,569
Unrestricted/(Deficit)	(7,581,360)	(7,200,125)	(6,851,016)	(5,602,428)
Total Governmental Activities Net Position	<u>\$ 3,070,703</u>	<u>\$ 2,880,262</u>	<u>\$ 5,259,382</u>	<u>\$ 7,661,290</u>
Business-type Activities				
Investment in Capital Assets	\$ 26,975	\$ 51,665	\$ 72,849	\$ 63,538
Unrestricted	314,392	248,931	181,876	164,680
Total Business-type Activities Net Position	<u>\$ 341,367</u>	<u>\$ 300,596</u>	<u>\$ 254,725</u>	<u>\$ 228,218</u>
District-wide				
Net Investment in Capital Assets	\$ 6,008,951	\$ 6,299,317	\$ 6,782,709	\$ 6,832,687
Restricted	4,670,087	3,832,735	5,400,538	6,494,569
Unrestricted/(Deficit)	(7,266,968)	(6,951,194)	(6,669,140)	(5,437,748)
Total District Net Position	<u>\$ 3,412,070</u>	<u>\$ 3,180,858</u>	<u>\$ 5,514,107</u>	<u>\$ 7,889,508</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Expenses					
Governmental activities					
Instruction:					
Regular	\$ 8,550,999	\$ 8,339,942	\$ 9,386,010	\$ 10,110,172	\$ 10,899,507
Special Education	5,649,850	5,396,907	6,147,885	6,305,932	6,799,286
Other Special Instruction	374,589	397,758	240,738	359,275	459,473
School Sponsored/Other Instruction	87,833	114,219	204,447	213,454	225,918
Support Services:					
Tuition	379,599	408,959	543,788	730,477	703,092
Student & Instruction Related Services	3,060,216	3,126,936	3,513,977	4,049,811	4,517,681
General Administrative Services	514,184	509,594	550,495	583,752	594,740
School Administrative Services	1,024,393	1,044,383	1,090,413	1,119,758	1,267,044
Central Services	290,377	292,390	434,597	470,012	504,295
Administrative Information Technology	281,431	339,086	303,185	314,352	249,937
Plant Operations and Maintenance	1,681,990	1,767,311	1,923,511	2,153,881	2,202,076
Pupil Transportation	1,932,957	1,962,766	1,923,286	1,906,495	2,003,454
Transfer of Funds to Charter School	649,150	768,831	778,092	718,282	744,422
Unallocated Depreciation	235,956	258,381	283,294	331,462	368,667
Capital Outlay					1,273
Total Governmental Activities Expenses	24,713,524	24,727,463	27,323,718	29,367,115	31,540,865

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Business-type Activities:					
Food Service	\$ 394,381	\$ 375,682	\$ 346,436	\$ 348,186	\$ 343,679
Care Program	131,740	115,623	122,567	125,903	170,717
Total Business-type Activities Expense	526,121	491,305	469,003	474,089	514,396
Total District Expenses	\$ 25,239,645	\$ 25,218,768	\$ 27,792,721	\$ 29,841,204	\$ 32,055,261
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction (Tuition)	\$ 144,656	\$ 61,977		\$ 43,179	\$ 128,426
Student and Instruction Related Services					
Transportation Fees		53,268		86,841	84,396
Operating Grants and Contributions	4,656,823	4,248,970	\$ 6,856,688	7,877,610	9,780,109
Capital Grants and Contributions					
Total Governmental Activities Program Revenues	4,801,479	4,364,215	6,856,688	8,007,630	9,992,931
Business-type Activities:					
Charges for Services:					
Food Service	212,540	203,972	175,445	173,167	162,973
Care Program	140,229	115,293	138,521	160,837	153,207
Operating Grants and Contributions	188,638	186,616	182,707	161,976	181,142
Total Business-type Activities Program Revenues	541,407	505,881	496,673	495,980	497,322
Total District Program Revenues	\$ 5,342,886	\$ 4,870,096	\$ 7,353,361	\$ 8,503,610	\$ 10,490,253
Net (Expense)/Revenue					
Governmental Activities	\$ (19,912,045)	\$ (20,363,248)	\$ (20,467,030)	\$ (21,359,485)	\$ (21,547,934)
Business-Type Activities	15,286	14,576	27,670	21,891	(17,074)
Total District-Wide Net Expense	\$ (19,896,759)	\$ (20,348,672)	\$ (20,439,360)	\$ (21,337,594)	\$ (21,565,008)



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 15,010,592	\$ 15,010,592	\$ 15,310,804	\$ 15,617,020	\$ 15,546,520
Unrestricted Grants and Contributions	5,986,019	6,194,580	6,259,289	6,266,361	6,296,006
Miscellaneous Income	67,421	175,939	65,157	55,522	74,767
Other Item:					
Cancellation of Prior Year Accounts Payable	201,455				
Total Governmental Activities	<u>21,265,487</u>	<u>21,381,111</u>	<u>21,635,250</u>	<u>21,938,903</u>	<u>21,917,293</u>
Business-type Activities:					
Interest Income	204	201	257	272	282
Total Business-Type Activities	<u>204</u>	<u>201</u>	<u>257</u>	<u>272</u>	<u>282</u>
Total District-Wide	<u>\$ 21,265,691</u>	<u>\$ 21,381,312</u>	<u>\$ 21,635,507</u>	<u>\$ 21,939,175</u>	<u>\$ 21,917,575</u>
Change in Net Position					
Governmental Activities	\$ 1,353,442	\$ 1,017,863	\$ 1,168,220	\$ 579,418	\$ 369,359
Business-type Activities	15,490	14,777	27,927	22,163	(16,792)
Total District	<u>\$ 1,368,932</u>	<u>\$ 1,032,640</u>	<u>\$ 1,196,147</u>	<u>\$ 601,581</u>	<u>\$ 352,567</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,			
	2018	2019	2020	2021
Expenses				
Governmental activities				
Instruction:				
Regular	\$ 11,078,743	\$ 10,255,051	\$ 8,805,516	\$ 9,433,284
Special Education	6,754,881	6,504,414	6,246,371	5,918,125
Other Special Instruction	655,672	644,500	591,227	618,096
School Sponsored/Other Instruction	350,737	292,546	248,506	235,897
Support Services:				
Tuition	419,181	510,811	447,102	350,516
Student & Instruction Related Services	5,003,519	4,608,302	3,915,729	3,859,678
General Administrative Services	663,506	651,284	618,748	596,714
School Administrative Services	1,354,059	1,170,361	920,969	955,640
Central Services	528,495	477,838	431,094	431,464
Administrative Information Technology	241,778	220,478	244,210	254,652
Plant Operations and Maintenance	2,338,916	2,323,621	2,011,461	2,039,292
Pupil Transportation	1,843,522	1,837,694	1,529,080	1,491,213
Transfer of Funds to Charter School	570,457	810,925	717,530	801,400
Unallocated Depreciation	406,714	411,506	481,399	526,170
Capital Outlay	48,174	105,405	17,335	1,273
Total Governmental Activities Expenses	32,258,354	30,824,736	27,226,277	27,513,414
				28,028,944

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2018	2019	2020	2021	2022
Business-type Activities:					
Food Service	\$ 323,024	\$ 342,788	\$ 288,190	\$ 271,882	\$ 520,400
Care Program	174,585	167,852	114,166	40,450	119,745
Total Business-type Activities Expense	497,609	510,640	402,356	312,332	640,145
Total District Expenses	\$ 32,755,963	\$ 31,335,376	\$ 27,628,633	\$ 27,825,746	\$ 28,669,089
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction (Tuition)	\$ 77,523	\$ 46,647	\$ 51,489	\$ 6,370	\$ 24,590
Student and Instruction Related Services					40,096
Transportation Fees	76,485	78,654	77,036	66,607	89,401
Operating Grants and Contributions	11,274,867	9,161,556	7,358,349	8,045,324	8,065,132
Capital Grants and Contributions				41,637	
Total Governmental Activities Program Revenues	11,428,875	9,286,857	7,486,874	8,159,938	8,219,219
Business-type Activities:					
Charges for Services:					
Food Service	153,065	161,161	99,457		23,217
Care Program	142,356	135,053	104,673	25,388	166,421
Operating Grants and Contributions	173,179	173,333	150,898	260,172	620,610
Total Business-type Activities Program Revenues	468,600	469,547	355,028	285,560	810,248
Total District Program Revenues	\$ 11,897,475	\$ 9,756,404	\$ 7,841,902	\$ 8,445,498	\$ 9,029,467
Net (Expense)/Revenue					
Governmental Activities	\$ (20,829,479)	\$ (21,537,879)	\$ (19,739,403)	\$ (19,353,476)	\$ (19,809,725)
Business-Type Activities	(29,009)	(41,093)	(47,328)	(26,772)	170,103
Total District-Wide Net Expense	\$ (20,858,488)	\$ (21,578,972)	\$ (19,786,731)	\$ (19,380,248)	\$ (19,639,622)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED  
(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 15,130,100	\$ 15,232,726	\$ 15,800,221	\$ 16,816,591	\$ 16,643,603
Unrestricted Grants and Contributions	6,164,414	5,971,294	5,528,615	4,898,614	4,217,744
Miscellaneous Income	208,984	66,418	167,660	40,179	101,112
Other Item:					
Cancellation of Prior Year Accounts Payable			3,169		
Total Governmental Activities	<u>21,503,498</u>	<u>21,347,438</u>	<u>21,499,665</u>	<u>21,755,384</u>	<u>20,962,459</u>
Business-type Activities:					
Interest Income	295	322	1,457	265	305
Total Business-Type Activities	<u>295</u>	<u>322</u>	<u>1,457</u>	<u>265</u>	<u>305</u>
Total District-Wide	<u>\$ 21,503,793</u>	<u>\$ 21,347,760</u>	<u>\$ 21,501,122</u>	<u>\$ 21,755,649</u>	<u>\$ 20,962,764</u>
Change in Net Position					
Governmental Activities	\$ 674,019	\$ (190,441)	\$ 1,760,262	\$ 2,401,908	\$ 1,152,734
Business-type Activities	(28,714)	(40,771)	(45,871)	(26,507)	170,408
Total District	<u>\$ 645,305</u>	<u>\$ (231,212)</u>	<u>\$ 1,714,391</u>	<u>\$ 2,375,401</u>	<u>\$ 1,323,142</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	June 30,				
	2013	2014	2015	2016	2017
General Fund					
Restricted	\$ 2,015,681	\$ 2,785,800	\$ 3,429,754	\$ 3,691,146	\$ 4,111,516
Assigned	130,498	156,826	441,568	235,562	255,329
Unassigned					
Total General Fund	<u>\$ 2,146,179</u>	<u>\$ 2,942,626</u>	<u>\$ 3,871,322</u>	<u>\$ 3,926,708</u>	<u>\$ 4,366,845</u>
All Other Governmental Funds					
Restricted					
Committed	<u>\$ 20,000</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>
Total All Other Governmental Funds	<u>\$ 20,000</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>
Total Governmental Funds	<u>\$ 2,166,179</u>	<u>\$ 2,970,263</u>	<u>\$ 3,898,959</u>	<u>\$ 3,954,345</u>	<u>\$ 4,394,482</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	June 30,				
	2018	2019	2020	2021	2022
General Fund					
Restricted	\$ 4,670,087	\$ 3,832,735	\$ 5,260,645	\$ 6,357,511	\$ 6,171,624
Assigned	487,014	789,987	693,510	1,437,673	656,780
Unassigned		77,540	346,548	561,228	661,603
<b>Total General Fund</b>	<b>\$ 5,157,101</b>	<b>\$ 4,700,262</b>	<b>\$ 6,300,703</b>	<b>\$ 8,356,412</b>	<b>\$ 7,490,007</b>
All Other Governmental Funds					
Restricted			\$ 139,893	\$ 137,058	\$ 140,053
Committed	\$ 27,637	\$ 27,637	27,637	27,637	27,637
<b>Total All Other Governmental Funds</b>	<b>\$ 27,637</b>	<b>\$ 27,637</b>	<b>\$ 167,530</b>	<b>\$ 164,695</b>	<b>\$ 167,690</b>
<b>Total Governmental Funds</b>	<b>\$ 5,184,738</b>	<b>\$ 4,727,899</b>	<b>\$ 6,468,233</b>	<b>\$ 8,521,107</b>	<b>\$ 7,657,697</b>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
<b>Revenues</b>					
Tax Levy	\$ 15,010,592	\$ 15,010,592	\$ 15,310,804	\$ 15,617,020	\$ 15,546,520
Tuition Charges	144,656	61,977		43,179	128,426
Transportation Fees		53,268		86,841	84,396
State Sources	9,783,139	9,714,372	10,074,504	10,452,114	10,786,380
Federal Sources	859,703	729,078	737,985	645,316	634,710
Miscellaneous	67,421	176,039	65,157	55,522	74,767
<b>Total Revenue</b>	<b>25,865,511</b>	<b>25,745,326</b>	<b>26,188,450</b>	<b>26,899,992</b>	<b>27,255,199</b>
<b>Expenditures</b>					
<b>Instruction</b>					
Regular Instruction	5,746,723	5,776,888	5,830,314	6,025,010	5,693,620
Special Education Instruction	3,918,103	3,786,346	3,894,236	3,651,112	3,795,004
Other Special Instruction	253,992	267,191	182,566	255,162	281,210
School-Sponsored/Other Instruction	53,855	80,265	93,912	84,772	87,757
<b>Support Services:</b>					
Tuition	379,599	408,959	543,788	730,477	703,092
Student & Other Instruction Related Services	2,184,682	2,259,235	2,342,721	2,595,077	2,631,997
General Administrative Services	448,139	442,132	466,473	471,737	438,449
School Administrative Services	697,032	720,727	689,019	674,856	711,550
Central Services	245,837	244,932	299,833	310,922	304,586
Administrative Information Technology	250,927	303,537	260,961	261,226	187,184
Plant Operations and Maintenance	1,444,891	1,522,384	1,552,161	1,694,577	1,696,499
Student Transportation	1,718,613	1,697,806	1,620,347	1,542,729	1,603,296

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Expenditures					
Employee Benefits	\$ 6,275,342	\$ 6,060,598	\$ 6,021,058	\$ 6,644,444	\$ 6,911,193
Capital Outlay	779,730	601,411	684,273	1,184,223	1,025,203
Transfer of Funds to Charter School	649,150	768,831	778,092	718,282	744,422
Total Expenditures	<u>25,046,615</u>	<u>24,941,242</u>	<u>25,259,754</u>	<u>26,844,606</u>	<u>8,680,818</u>
Excess/(Deficit) of Revenues					
Over/(Under) Expenditures	818,896	804,084	928,696	55,386	18,574,381
Other Financing Sources/(Uses)					
Cancellation of Prior Year Accounts Payable	201,455				
Total Other Financing Sources/(Uses)	<u>201,455</u>				
Net Change in Fund Balances	<u>\$ 1,020,351</u>	<u>\$ 804,084</u>	<u>\$ 928,696</u>	<u>\$ 55,386</u>	<u>\$ 18,574,381</u>
Debt Service as a Percentage of					
Noncapital Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,			
	2018	2019	2020	2021
<b>Revenues</b>				
Tax Levy	\$ 15,130,100	\$ 15,232,726	\$ 15,800,221	\$ 16,816,591
Tuition Charges	77,523	46,647	51,489	24,590
Transportation Fees	76,485	78,654	77,036	66,607
State Sources	10,953,244	11,551,522	11,377,371	11,558,885
Federal Sources	813,589	766,381	566,259	869,068
Miscellaneous	208,984	69,010	167,660	46,549
<b>Total Revenue</b>	<b>27,259,925</b>	<b>27,744,940</b>	<b>28,040,036</b>	<b>29,357,700</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular Instruction	5,634,659	5,795,601	5,224,477	5,523,867
Special Education Instruction	3,352,583	3,570,348	3,631,785	3,365,750
Other Special Instruction	405,364	457,044	455,167	445,117
School-Sponsored/Other Instruction	101,339	93,180	76,406	11,070
<b>Support Services:</b>				
Tuition	419,181	510,811	447,102	350,516
Student & Other Instruction Related Services	2,810,817	2,828,637	2,556,997	2,542,655
General Administrative Services	499,121	511,463	506,792	501,836
School Administrative Services	720,636	695,954	575,206	583,644
Central Services	306,035	317,232	310,822	322,062
Administrative Information Technology	170,715	168,760	203,828	217,425
Plant Operations and Maintenance	1,707,667	1,857,287	1,652,670	1,704,981
Student Transportation	1,457,778	1,575,867	1,354,390	1,325,518
				71,245
				556,889
				480,550
				2,809,141
				508,193
				634,532
				329,089
				188,277
				1,963,819
				1,533,265

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,			
	2018	2019	2020	2021
Expenditures				
Employee Benefits	\$ 7,662,161	\$ 8,242,289	\$ 8,140,627	\$ 8,927,112
Capital Outlay	651,156	843,381	1,067,930	681,873
Transfer of Funds to Charter School	570,457	810,925	717,530	801,400
Total Expenditures	<u>27,265,958</u>	<u>26,892,237</u>	<u>26,820,528</u>	<u>27,304,826</u>
Excess/(Deficit) of Revenues				
Over/(Under) Expenditures	(6,033)	852,703	1,219,508	2,052,874
Other Financing Sources/(Uses)				
Cancellation of Prior Year Interfund/Accounts Payable		77,000	3,169	
Total Other Financing Sources/(Uses)		<u>77,000</u>	<u>3,169</u>	
Net Change in Fund Balances	<u>\$ (6,033)</u>	<u>\$ 929,703</u>	<u>\$ 1,222,677</u>	<u>\$ 2,052,874</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Transportation</u> <u>Revenue</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Miscellaneous</u>	<u>Total</u>
2013	\$ 7,232	\$ 144,656			\$ 60,189	\$ 212,077
2014	7,777	61,977	\$ 53,268		117,482	240,504
2015	4,426				60,731	65,157
2016	9,372	43,179	86,841		46,150	185,542
2017	10,339	128,426	84,396		64,428	287,589
2018	11,865	77,523	76,485	\$ 60,053	137,066 *	362,992
2019	11,170	46,647	78,654	17,480	37,768	191,719
2020	59,525	51,489	77,036	40,386	67,749	296,185
2021	21,327		66,607	11,572	7,280	106,786
2022	17,554	24,590	89,401	3,243	80,315	215,103

\* Includes cancellation of prior year accounts payable of \$44,273.

Source: School District records

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY.  
 LAST TEN YEARS  
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
<u>Borough of Sussex</u>												
2012	\$ 963,700	\$ 53,339,500	\$ 373,900	\$ 20,400	\$ 16,533,600	\$ 474,100	\$ 6,896,000	\$ 78,601,200	\$ 505,353	\$ 79,106,553	\$ 2.73	\$ 144,178,764
2013	* 1,732,400	81,631,500	640,100	21,500	25,708,300	721,600	16,707,400	127,162,800	662,927	127,825,727	1.75	132,158,837
2014	1,804,600	80,772,200	640,100	21,500	25,254,600	787,300	16,234,700	125,515,000	835,798	126,350,798	1.74	123,628,837
2015	1,838,400	80,688,700	640,100	21,500	24,735,400	787,300	16,190,200	124,901,600	1,107,571	126,009,171	1.76	125,959,230
2016	1,791,200	80,820,200	640,100	21,500	24,657,400	787,300	14,503,400	123,221,100	-0-	123,221,100	1.87	127,045,159
2017	1,791,200	80,740,000	640,100	21,500	26,734,600	787,300	14,484,100	125,198,800	-0-	125,198,800	1.84	130,280,646
2018	2,570,700	80,386,800	640,100	20,700	25,456,500	787,300	14,484,100	124,346,200	-0-	124,346,200	1.86	126,728,700
2019	2,250,900	80,462,800	640,100	22,100	25,350,100	787,300	14,484,100	123,997,400	-0-	123,997,400	1.83	127,638,746
2020	2,205,300	80,528,200	640,100	22,100	25,204,300	787,300	14,484,100	123,871,400	-0-	123,871,400	1.84	131,565,909
2021	2,203,800	80,808,900	640,100	20,800	25,188,500	787,300	14,484,100	124,133,500	-0-	124,133,500	1.93	133,284,831
<u>Township of Wantage</u>												
2012	\$ 45,769,389	\$ 1,065,045,000	\$ 152,009,100	\$ 7,633,487	\$ 114,722,735	\$ 961,300	\$ 5,822,300	\$ 1,391,963,311	\$ 3,619,926	\$ 1,395,583,237	\$ 1.48	\$ 1,276,603,496
2013	42,071,360	1,057,651,000	150,677,900	7,677,793	114,525,205	961,300	5,822,300	1,379,386,858	3,447,661	1,382,834,519	1.49	1,212,594,551
2014	* 30,572,600	899,760,106	133,737,300	7,501,900	116,927,091	1,541,400	11,621,250	1,201,661,647	3,383,457	1,205,045,104	1.72	1,195,626,385
2015	30,651,700	899,500,006	133,712,100	7,500,200	116,927,091	1,541,400	11,621,250	1,201,453,747	3,805,642	1,205,259,389	1.77	1,188,264,413
2016	29,938,700	898,143,806	134,981,300	7,172,500	116,639,030	1,541,400	11,621,200	1,200,037,936	-0-	1,200,037,936	1.83	1,167,238,533
2017	29,631,300	899,354,006	134,672,100	7,014,152	114,342,284	1,541,400	11,621,200	1,198,176,442	-0-	1,198,176,442	1.76	1,169,093,206
2018	31,423,050	898,028,906	134,724,100	6,944,872	112,741,984	1,541,400	13,521,200	1,198,925,512	-0-	1,198,925,512	1.73	1,273,420,618
2019	32,050,650	897,450,506	134,527,100	6,968,972	112,958,834	1,541,400	15,896,200	1,201,393,662	-0-	1,201,393,662	1.76	1,279,831,695
2020	33,246,950	899,020,606	134,458,700	6,768,600	113,279,234	1,541,400	21,121,200	1,209,436,690	-0-	1,209,436,690	1.85	1,265,208,954
2021	32,576,400	902,816,300	134,583,400	6,585,400	108,002,700	1,541,400	21,121,200	1,207,226,800	-0-	1,207,226,800	1.92	1,287,351,865

\* Revaluation was effective in this year.

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

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

<sup>b</sup> Tax rates are per \$100 of Assessed Valuation

Source: Municipal Tax Assessor

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(Rate per \$100 of Assessed Value)

Year Ended December 31,	School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct Tax Rate	Municipality	Sussex County	
<u>Borough of Sussex</u>						
2012	\$ 2.731	\$ -0-	\$ 2.731	\$ 1.006	\$ 0.848	\$ 4.585
2013	* 1.752	-0-	1.752	0.668	0.509	2.929
2014	1.743	-0-	1.743	0.673	0.499	2.915
2015	1.755	-0-	1.755	0.729	0.509	2.993
2016	1.865	-0-	1.865	0.752	0.558	3.175
2017	1.836	-0-	1.836	0.758	0.596	3.190
2018	1.857	-0-	1.857	0.782	0.626	3.265
2019	1.827	-0-	1.827	0.797	0.597	3.221
2020	1.836	-0-	1.836	0.801	0.621	3.258
2021	1.927	-0-	1.927	0.825	0.633	3.385
<u>Township of Wantage</u>						
2012	\$ 1.475	\$ -0-	\$ 1.475	\$ 0.240	\$ 0.422	\$ 2.137
2013	1.492	-0-	1.492	0.245	0.431	2.168
2014	* 1.721	-0-	1.721	0.280	0.519	2.520
2015	1.774	-0-	1.774	0.300	0.513	2.587
2016	1.827	-0-	1.827	0.300	0.546	2.673
2017	1.764	-0-	1.764	0.294	0.557	2.615
2018	1.730	-0-	1.730	0.299	0.575	2.604
2019	1.762	-0-	1.762	0.308	0.617	2.687
2020	1.847	-0-	1.847	0.308	0.612	2.767
2021	1.922	-0-	1.922	0.313	0.633	2.868

\* Revaluation was effective in this year.

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

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

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

Source: Municipal Tax Collector and School Business Administrator

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

		2021			2012		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
<u>Borough of Sussex</u>							
Alpine Village Apt LLC	\$ 7,506,000	1	6.05%	Alpine Village Apt LLC	\$ 9,266,800	1	11.71%
Jimkev Realty, LLC/JTS, Inc.	3,700,000	2	2.98%	Wilson Manor Associates	3,969,500	2	5.02%
MPT of Morris, LLC	2,100,000	3	1.69%	Franklin Sussex Realty, LLC	1,929,500	3	2.44%
Franklin Sussex Realty, LLC	1,929,500	4	1.55%	Individual Taxpayer #1	1,852,400	4	2.34%
Individual Taxpayer #1	1,702,800	5	1.37%	RBND, LLC	1,600,700	5	2.02%
Sussex Plaza Realty LLC	1,170,600	6	0.94%	Individual Taxpayer #2	1,209,100	6	1.53%
Great Gorge Holdings, LLC	1,046,800	7	0.84%	Sussex Plaza Realty LLC	1,170,000	7	1.48%
RBND, LLC	985,600	8	0.79%	Sussex Creamery LLC	1,046,800	8	1.32%
Munson Street Dev., LLC	894,200	9	0.72%	Munson Street Dev., LLC	894,200	9	1.13%
Individual Taxpayer #2	883,700	10	0.71%	JP Morgan Chase	859,300	10	1.09%
<b>Total</b>	<b>\$ 21,919,200</b>		<b>17.66%</b>	<b>Total</b>	<b>\$ 23,798,300</b>		<b>30.08%</b>
<u>Township of Wantage</u>							
Wantage 2002 LLC	\$ 12,041,500	1	1.01%	NOT AVAILABLE			
Main Land Sussex Co	9,697,300	2	0.80%				
Tenneco, Inc	9,044,500	3	0.75%				
Regency Apartments	5,539,000	4	0.46%				
Space Farms, Inc.	4,676,600	5	0.39%				
PS, LLC	3,400,900	6	0.28%				
Ames Rubber Corp.	3,393,100	7	0.28%				
Sussex Rural Electric Corp	3,132,700	8	0.26%				
United Telephone Co. of NJ	3,113,073	9	0.26%				
Rolling Wantage, Inc.	3,026,400	10	0.25%				
<b>Total</b>	<b>\$ 57,065,073</b>		<b>4.73%</b>				

Note - Individual taxpayers may be different in each year presented.

Source: Municipal Tax Assessors

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 15,010,592	\$ 15,010,592	100.00%	\$ -0-
2014	15,010,592	14,887,800	99.18%	122,792
2015	15,310,804	15,310,804	100.00%	-0-
2016	15,617,020	15,617,020	100.00%	-0-
2017	15,546,520	15,546,520	100.00%	-0-
2018	15,130,100	15,130,100	100.00%	-0-
2019	15,232,726	15,232,726	100.00%	-0-
2020	15,800,221	15,800,221	100.00%	-0-
2021	16,816,591	16,816,591	100.00%	-0-
2022	16,643,603	16,643,603	100.00%	-0-

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	Debt Per Capita <sup>a</sup>
	Loans	Certificates of Participation	Financed Purchase Agreements / Leases	Bond Anticipation Notes (BANs)	Financed Purchase Agreements / Leases			
2013	\$ -0-	\$ -0-	\$ 37,499	\$ -0-	\$ -0-	\$ 37,499	0.0055%	\$ 2.81
2014	-0-	-0-	2,957	-0-	-0-	2,957	0.0004%	0.22
2015	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2016	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2017	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2018	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2022	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-

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

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation <sup>a</sup> Taxable	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ -0-	\$ -0-	\$ -0-	0.00%	\$ -0-
2014	-0-	-0-	-0-	0.00%	-0-
2015	-0-	-0-	-0-	0.00%	-0-
2016	-0-	-0-	-0-	0.00%	-0-
2017	-0-	-0-	-0-	0.00%	-0-
2018	-0-	-0-	-0-	0.00%	-0-
2019	-0-	-0-	-0-	0.00%	-0-
2020	-0-	-0-	-0-	0.00%	-0-
2021	-0-	-0-	-0-	0.00%	-0-
2022	-0-	-0-	-0-	0.00%	-0-

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

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

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

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2021  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Borough of Sussex	\$ 1,263,000	100.00%	\$ 1,263,000
Township of Wantage	6,558,961	100.00%	6,558,961
Sussex County General Obligation Debt (Borough Share)	91,877,126	0.69%	637,470
Sussex County General Obligation Debt (Township Share)	91,877,126	6.75%	6,199,543
Subtotal, Overlapping Debt			14,658,975
Sussex-Wantage Regional School District Direct Debt			-0-
Total Direct and Overlapping Debt			<u>\$ 14,658,975</u>

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION,  
LAST TEN FISCAL YEARS  
UNAUDITED

Equalized Valuation Basis:

	Legal Debt Margin Calculation for Fiscal Year 2022		
	Sussex Borough	Wantage Township	Total
	2021	\$ 136,906,915	\$ 1,335,427,876
2020	131,778,085	1,285,950,760	1,417,728,845
2019	130,496,106	1,252,887,331	1,383,383,437
	\$ 262,274,191	\$ 2,538,838,091	\$ 2,801,112,282
Average Equalized Valuation of Taxable Property			\$ 933,704,094
Debt Limit (3% of average equalization value <sup>a</sup> )			\$ 28,011,123
Net Bonded Debt as of June 30, 2022			-0-
Legal Debt Margin			\$ 28,011,123

	Fiscal Year				
	2013	2014	2015	2016	2017
	Debt Limit	\$ 43,251,290	\$ 41,108,009	\$ 39,604,062	\$ 39,206,389
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	\$ 43,251,290	\$ 41,108,009	\$ 39,604,062	\$ 39,206,389	\$ 39,183,210
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

	Fiscal Year				
	2018	2019	2020	2021	2022
	Debt Limit	\$ 39,162,619	\$ 40,186,408	\$ 41,077,406	\$ 42,012,616
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	\$ 39,162,619	\$ 40,186,408	\$ 41,077,406	\$ 42,012,616	\$ 28,011,123
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable other districts.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Wantage Township

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Sussex County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2013	\$ 11,161	\$ 577,291,564	\$ 51,724	7.70%
2014	11,144	603,068,704	54,116	7.90%
2015	11,020	614,056,440	55,722	5.10%
2016	10,943	627,329,361	57,327	4.70%
2017	10,893	644,255,592	59,144	4.30%
2018	10,861	668,288,191	61,531	3.90%
2019	10,912	701,467,008	64,284	3.50%
2020	10,899	739,104,786	67,814	8.80%
2021	10,866	736,866,924 ***	67,814 *	5.60%
2022	10,866 **	736,866,924 ***	67,814 *	N/A

Sussex Borough

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Sussex County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2013	\$ 2,080	\$ 107,585,920	\$ 51,724	8.80%
2014	2,059	111,424,844	54,116	6.70%
2015	2,036	113,449,992	55,722	6.90%
2016	2,022	115,915,194	57,327	5.70%
2017	2,010	118,879,440	59,144	5.80%
2018	2,002	123,185,062	61,531	5.30%
2019	1,991	127,989,444	64,284	4.90%
2020	1,979	134,203,906	67,814	10.20%
2021	2,034	137,933,676 ***	67,814 *	7.50%
2022	2,034 **	137,933,676 ***	67,814 *	N/A

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

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

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

N/A - Information Not Available

Source:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income for Sussex County is estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Employer	2021	
	Employees	Percentage of Total Employment
Selective Insurance Group Inc.	1,000-4,999	1.40%-6.98%
Crystal Springs Resort	1,000-4,999	1.40%-6.98%
Newton Memorial Center	500-999	0.70%-1.39%
Sussex County Offices	500-999	0.70%-1.39%
Thorlabs	500-999	0.70%-1.39%
Mountain Creek Resort	500-999	0.70%-1.39%
Shop Rite	250-499	0.35%-0.70%
Sussex County Community College	250-499	0.35%-0.70%
United Methodist Community Bristol Glen	250-499	0.35%-0.70%
Andover Subacute & Rehab Center	100-249	0.14%-0.35%
	<u>4,850-15,740</u>	<u>6.77%-21.97%</u>
Total Employment	<u>71,642</u>	
Employer	2012	
	Employees	Percentage of Total Employment
Crystal Springs Golf and Spa Resort	2,000	2.63%
Newton Memorial Hospital	1,200	1.58%
Selective Insurance	900	1.18%
County of Sussex	830	1.09%
Mountain Creek Resort	800	1.05%
Ames Rubber Corp	445	0.58%
Shop Rite (Ronetco)	301	0.40%
Andover Subacute & Rehab Center	300	0.39%
Sussex County Community College	300	0.39%
SCARC, Inc.	287	0.38%
	<u>7,363</u>	<u>9.68%</u>
Total Employment	<u>76,076</u>	

Source: Sussex County Chamber of Commerce

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM.  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	76.0	73.4	75.1	77.0	75.5	76.5	74.9	70.9	69.4	71.5
Special Education	37.5	35.5	35.5	34.0	37.0	33.0	30.5	31.5	30.0	33.0
Other Instruction	46.5	45.3	40.3	48.5	47.5	44.1	50.4	46.6	46.4	45.4
Support Services:										
Student & Instruction Related Services	29.0	28.6	27.4	27.0	26.0	31.0	30.0	30.0	27.5	26.9
General and Business Administrative Services	7.0	7.0	7.0	7.0	7.0	7.0	7.4	6.5	6.5	6.5
School Administrative Services	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Other Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Administrative Information Technology	2.0	2.0	3.5	4.0	4.0	4.0	3.5	3.3	3.3	3.5
Transportation	15.8	15.8	15.5	15.5	15.5	15.5	15.5	13.5	11.3	12.0
Plant Operations and Maintenance	18.8	18.8	17.3	17.0	16.7	16.7	20.2	20.2	20.2	20.3
<b>Total</b>	<b>242.6</b>	<b>236.4</b>	<b>231.6</b>	<b>240.0</b>	<b>239.2</b>	<b>237.8</b>	<b>242.4</b>	<b>231.5</b>	<b>223.6</b>	<b>228.1</b>

Source: School District Personnel Records

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year End June 30,	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance (ADA) <sup>d</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2013	1,360	\$ 24,266,885	\$ 17,843	5.80%	133	10.1:1	11.7:1	1,315	1,248	-4.85%	94.90%
2014	1,277	24,339,831	19,060	6.82%	135	9.2:1	9.8:1	1,227	1,169	-6.69%	95.27%
2015	1,199	24,575,481	20,497	7.54%	137	10.3:1	10.3:1	1,155	1,106	-5.87%	95.76%
2016	1,110	25,660,383	23,117	12.79%	138	9.6:1	9.6:1	1,072	1,021	-7.19%	95.24%
2017	1,096	7,655,615	6,985	-69.78%	139	9.3:1	9.3:1	1,059	1,008	-1.21%	95.18%
2018	1,033	26,614,802	25,765	268.85%	137.5	7.5:1	7.5:1	1,020	966	-3.68%	94.71%
2019	1,037	26,048,856	25,119	-2.50%	133.4	8.2:1	7.6:1	1,037	984	1.67%	94.89%
2020	1,041	25,752,598	24,738	-1.52%	130	8.5:1	7.0:1	1,038	998	0.10%	96.15%
2021	1,052	26,622,953	25,307	2.30%	128	8.5:1	7.2:1	1,021	975	-1.64%	95.49%
2022	1,063	28,684,803	26,985	6.63%	141	7.5:1	7.5:1	1,041	940	1.96%	90.30%

Note:

- a Operating expenditures equal total expenditures less debt service and capital outlay
- b Cost per pupil represents operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil calculations.
- c Teaching staff includes only full-time equivalents of certificated staff.
- d Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>District Building</u></b>										
<u>Elementary</u>										
Clifton E. Lawrence Elementary School										
Square Feet	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	395	366	379	366	361	331	353	376	350	387
Wantage Elementary School										
Square Feet	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	413	408	359	357	345	341	356	338	326	302
<u>Middle School</u>										
Sussex Middle School										
Square Feet	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489
Capacity (students)	612	612	612	612	612	612	612	612	612	612
Enrollment	552	503	461	387	390	361	328	327	376	374
<u>Other</u>										
Environmental Trails Center										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Schools										
Elementary = 2										
Middle School = 1										

N/A - Not Applicable

Source: School District records.



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
UNAUDITED

UNDISTRIBUTED EXPENDITURES - REQUIRED  
 MAINTENANCE FOR SCHOOL FACILITIES \*  
 11-000-261-xxxx

Fiscal Year Ended June 30,	Lawrence		Sussex		Wantage		Environmental Trail Center		Board Office		Total
	\$		\$		\$		\$		\$		
2013	146,980		173,641		127,965		766		7,443		456,795
2014	137,091		154,466		122,818		968		5,813		421,156
2015	169,275		185,583		136,700		5,889		7,196		504,643
2016	158,199		186,966		161,727		10,101		9,150		526,143
2017	153,370		175,923		132,841		919		14,607		477,660
2018	165,921		146,218		116,178		855		7,706		436,878
2019	177,685		184,622		120,237		804		10,006		493,354
2020	130,688		149,240		121,081		821		5,133		406,963
2021	145,885		146,520		126,035		833		7,868		427,141
2022	140,858		162,752		122,170		901		10,457		437,138

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

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2022  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
<u>SCHOOL ALLIANCE INSURANCE FUND:</u>		
School Package Policy	\$ 500,000,000	
Building and Personal Property		\$ 2,500
Auto Physical Damage		1,000
General Liability including Auto, Employee Benefits	5,000,000	
Each Occurrence		
General Aggregate	Agreed upon based on membership.	
Product Completed Operations		
Personal Injury		
Fire Damage	2,500,000	
Medical Expenses	10,000	
(Excluding Students Taking Part in Athletics)		
Automobile Coverage	10,000,000	Occurrence
Combined Single Limit		1,000
Hired/Non Owned		
Cyber Liability	\$750,000 per Occurrence/Aggregate	Multiple Deductibles
Environmental Impairment Liability	1,000,000/25,000,000	Fund Aggregate
Excludes mold/fungi/fungus/legionella		10,000
Crime Coverage	50,000	Inside/Outside
Blanket Dishonesty Bond	500,000	1,000
Boiler and Machinery	100,000,000	2,500
Excess Liability (AL/GL)	5,000,000	
School Board Legal	5,000,000	5,000
Workers' Compensation	Statutory	
Employer's Liability	5,000,000	
Supplemental Indemnity	Statutory	
<u>SELECTIVE INSURANCE:</u>		
Business Administrator/Board Secretary	50,000	Selective Insurance
Treasurer of School Monies Bond Limit	250,000	Selective Insurance
<u>BOLLINGER</u>		
Student Accident Coverage	6,000,000	All students and athletes

Source: School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Sussex-Wantage Regional School District, in the County of Sussex (the "Board") as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated November 22, 2022. That report included a qualified opinion on the financial statements as the District's note disclosure on postemployment benefits other than pensions (OPEB) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey, as of the date of this report. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

**Report on Internal Control Over Financial Reporting**

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

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

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey  
Page 2

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

November 22, 2022  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
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Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey

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

We have audited the Board of Education of the Sussex-Wantage Regional School District's (the "District's"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2022.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey  
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### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey  
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Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

November 22, 2022  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021			Repayment of Prior Years' Balances	Balance, June 30, 2022			
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor		Budgetary Unearned Revenue	Budgetary Accounts Receivable	Amounts Provided to Subrecipients	
<u>U.S. Department of Agriculture:</u>												
Passed-through State Department of Education:												
<u>Enterprise Fund</u>												
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/21-6/30/22	\$ 39,562	\$	\$ 39,562	\$	\$ 5,847				
Food Distribution Program	10.555	N/A	7/1/20-6/30/21	25,274	\$ 12,731		(33,715)					
COVID-19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/21-6/30/22	434,460			(434,460)		\$ (39,028)			
COVID-19 - Seamless Summer Option - Breakfast	10.553	N/A	7/1/21-6/30/22	116,725			(116,725)		(10,980)			
COVID-19 - Seamless Summer Option	10.555	N/A	7/1/20-6/30/21	231,266	\$ (30,390)							
COVID-19 Emergency Operational Cost Reimbursement Program	10.555	N/A	7/1/21-6/30/22	11,517			(11,517)					
Total Child Nutrition Cluster				1,242	(30,390)	12,731	(609,148)	5,847	(50,008)			
COVID-19 Pandemic Electronic Benefit Transfer	10.649	N/A	7/1/21-6/30/22	1,242			(1,242)					
Total Enterprise Fund				1,242	(30,390)	12,731	(610,390)	5,847	(50,008)			
<u>U.S. Department of Education:</u>												
Passed-through State Department of Education:												
<u>Special Revenue Fund</u>												
Elementary and Secondary Education Act Consolidated:												
Title I	84.010A	ESEA5100-22	7/1/21-9/30/22	153,490			(153,490)		(42,987)			
Title I	84.010A	ESEA5100-21	7/1/20-9/30/21	160,754	(88,989)							
Title I - SIA	84.010A	ESEA5100-22	7/1/21-9/30/22	21,032			(16,735)		(16,735)			
Title I - SIA	84.010A	ESEA5100-21	7/1/20-9/30/21	19,721	(4,049)		(4,640)					
Total Title I				208,181	(93,038)		(174,865)		(59,722)			
Title IIA	84.367A	ESEA5100-22	7/1/21-9/30/22	53,851			(15,170)		(15,170)			
Title IIA	84.367A	ESEA5100-21	7/1/20-9/30/21	47,284	(2,247)							
Total Title IIA				2,247	(2,247)		(15,170)		(15,170)			
Title IV	84.424A	ESEA5100-21	7/1/20-9/30/21	17,942	(4,073)			\$ (588)				
Total Title IV				4,661	(4,073)			(588)				

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021			Repayment of Prior Years' Balances	Adjustment	Balance, June 30, 2022										
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor			Budgetary Expendi- tures	Cash Received	Budgetary Unearned Revenue	Due to Grantor	Amounts Provided to Subrecipients						
<b>Special Education Cluster:</b>																				
COVID-19 ARP - I.D.E.A. Part B, Basic	84-027X	IDEA510022	7/1/21-9/30/22	\$ 50,649						\$ 8,195	\$ (8,195)									
I.D.E.A. Part B, Basic	84-027A	IDEA510022	7/1/21-9/30/22	584,090						272,337	(363,164)		\$ (90,827)							
I.D.E.A. Part B, Basic	84-027A	IDEA510021	7/1/20-9/30/21	431,338	\$ (92,702)				\$ 2,890	89,812	(4,312)									
COVID-19 ARP - I.D.E.A. Preschool	84-173X	IDEA510022	7/1/21-9/30/22	4,312						4,312	(20,216)									
I.D.E.A. Preschool	84-173A	IDEA510022	7/1/21-9/30/22	20,216	(12,078)					20,216	(20,216)									
I.D.E.A. Preschool	84-173A	IDEA510021	7/1/20-9/30/21	20,130	(104,780)				2,890	406,950	(395,887)		(90,827)							
<b>Total Special Education Cluster</b>																				
<b>Education Stabilization Fund:</b>																				
COVID-19 - CARES Emergency Relief	84-425D	CARESS10020	3/13/20-9/30/22	144,307	(17,864)					17,984	(120)									
COVID-19 - CRRSA-ESSER II	84-425D	S425D210027	3/13/20-9/30/23	527,173	(63,691)			\$ 3,075		162,515	(273,183)		(174,359)							
COVID-19 - Digital Divide Discretionary Grant	84-425D	S425D200027	7/16/20-10/31/20	38,844						26,440	(20,487)		\$ 5,953							
COVID-19 - CRRSA - Learning Acceleration	84-425D	S425D210027	3/13/20-9/30/23	33,831						3,000	(3,000)									
COVID-19 - CRRSA - Mental Health	84-425D	S425D210027	3/13/20-9/30/23	45,000							(113,605)		(113,605)							
COVID-19 - ARP - ESSER III	84-425U	N/A	3/13/20-9/30/24	1,184,788							(9,053)		(9,053)							
COVID-19 - ARP - Accelerated Learning Coaching and Educator Support	84-425U	N/A	3/13/20-9/30/24	95,655							(3,835)		(3,835)							
COVID-19 - ARP - NJTSS Mental Health Support Staffing	84-425U	N/A	3/13/20-9/30/24	45,000	(81,555)			3,075		209,939	(423,283)	(3,075)	5,953							
<b>Total Education Stabilization Fund</b>																				
<b>Total Special Revenue Fund and U.S. Department of Education</b>																				
<b>U.S. Department of Health and Human Services - General Fund</b>																				
<b>Medicaid Cluster:</b>																				
Medicaid Assistance Program	93.778	N/A	7/1/21-6/30/22	67,216						67,216	(67,216)									
<b>Total General Fund/Medicaid Cluster</b>																				
<b>Total Federal Awards</b>																				
										\$ (316,083)	\$ 12,731	\$ 3,075	\$ 1,483,082	\$ (1,686,811)	\$ (3,075)	\$ 2,302	\$ 11,800	\$ (516,579)	\$ -0-	\$ -0-

N/A - Not Applicable

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2022		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:												
General Fund State Aid:												
Special Education Categorical Aid	21-495-0344-5120-089	7/1/20-6/30/21	\$ 833,307	\$ (83,104)	\$	83,104						\$ 833,307
School Choice Aid	21-495-0344-5120-068	7/1/20-6/30/21	30,444	(3,036)		3,036						30,444
Equalization Aid	21-495-0344-5120-078	7/1/20-6/30/21	4,566,167	(455,373)		455,373						4,566,167
Security Aid	21-495-0344-5120-084	7/1/20-6/30/21	155,733	(15,531)		15,531						155,733
Transportation Aid	21-495-0344-5120-014	7/1/20-6/30/21	784,782	(78,264)		78,264						784,782
Nonpublic Transportation Costs	21-495-0344-5120-014	7/1/20-6/30/21	10,028	(10,028)		10,028						10,028
Extraordinary Special Education Costs Aid	21-495-0344-5120-044	7/1/20-6/30/21	664,183	(644,183)		644,183						664,183
Reimbursed TPAF Social Security Contributions	21-495-0344-5094-003	7/1/20-6/30/21	674,373	(33,498)		33,498						674,373
Special Education Categorical Aid	22-495-0344-5120-089	7/1/21-6/30/22	833,307			751,029	\$ (833,307)		\$	(82,278)		833,307
School Choice Aid	22-495-0344-5120-068	7/1/21-6/30/22	32,823			29,582	(32,823)			(3,241)		32,823
Equalization Aid	22-495-0344-5120-078	7/1/21-6/30/22	3,890,820			3,506,650	(3,890,820)			(384,170)		3,890,820
Security Aid	22-495-0344-5120-084	7/1/21-6/30/22	155,733			140,356	(155,733)			(15,377)		155,733
Transportation Aid	22-495-0344-5120-014	7/1/21-6/30/22	784,782			707,295	(784,782)			(77,487)		784,782
Nonpublic Transportation Costs	22-495-0344-5120-014	7/1/21-6/30/22	14,831				(14,831)		\$ (14,831)	(14,831)		14,831
Extraordinary Special Education Costs Aid	22-495-0344-5120-044	7/1/21-6/30/22	654,866				(654,866)		(654,866)	(654,866)		654,866
Reimbursed TPAF Social Security Contributions	22-495-0344-5094-003	7/1/21-6/30/22	758,897			720,338	(758,897)		(38,559)	(38,559)		758,897
On-Behalf TPAF Post Medical Retirement Contributions	22-495-0344-5094-001	7/1/21-6/30/22	855,252			855,252	(855,252)					855,252
On-Behalf Long Term Disability Insurance Contributions	22-495-0344-5094-004	7/1/21-6/30/22	1,152			1,152	(1,152)					1,152
On-Behalf TPAF Pension Contributions	22-495-0344-5094-002	7/1/21-6/30/22	3,609,622			3,609,622	(3,609,622)					3,609,622
On-Behalf TPAF Non-Contributory Insurance	22-495-0344-5094-004	7/1/21-6/30/22	50,927			50,927	(50,927)					50,927
Subtotal - General Fund				(1,323,017)		11,695,220	(11,643,012)		(708,256)	(1,270,809)		19,362,029
Special Revenue Fund Aid:												
Nonpublic Auxiliary Services:												
Compensatory Education	21-100-0344-5120-067	7/1/20-6/30/21	222,953		\$ 217,955			\$ (217,955)				4,998
Nonpublic Handicapped Services:												
Supplementary Instruction	21-100-0344-5120-066	7/1/20-6/30/21	110,899		107,094			(107,094)				3,805
Corrective Speech	21-100-0344-5120-066	7/1/20-6/30/21	83,849		78,381			(78,381)				5,468
Examination and Classification	21-100-0344-5120-066	7/1/20-6/30/21	15,793		5,578			(5,578)				10,215
N.J. Nonpublic Textbook Aid	21-100-0344-5120-064	7/1/20-6/30/21	3,482		496			(496)				2,986
N.J. Nonpublic Nursing Aid	21-100-0344-5120-070	7/1/20-6/30/21	6,630		100			(100)				6,530
N.J. Nonpublic Security Aid	21-100-0344-5120-509	7/1/20-6/30/21	11,375		243			(243)				11,132
Nonpublic Auxiliary Services:												
Compensatory Education	22-100-0344-5120-067	7/1/21-6/30/22	20,603			20,603	(12,541)		\$ 8,062			12,541
English as a Second Language	22-100-0344-5120-067	7/1/21-6/30/22	6,395			6,395	(3,015)		3,380			3,015
Nonpublic Handicapped Services:												
Supplementary Instruction	22-100-0344-5120-066	7/1/21-6/30/22	8,260			8,260	(5,534)		2,726			5,534
Corrective Speech	22-100-0344-5120-066	7/1/21-6/30/22	10,974			10,974	(7,998)		2,976			7,998
Examination and Classification	22-100-0344-5120-066	7/1/21-6/30/22	14,410			14,410	(10,997)		3,413			10,997
N.J. Nonpublic Textbook Aid	22-100-0344-5120-064	7/1/21-6/30/22	2,581			2,581	(2,457)		124			2,457
N.J. Nonpublic Nursing Aid	22-100-0344-5120-070	7/1/21-6/30/22	6,160			6,160	(5,706)		454			5,706
N.J. Nonpublic Technology Initiative	22-100-0344-5120-373	7/1/21-6/30/22	1,806			1,806	(1,789)		17			1,789
N.J. Nonpublic Security Aid	22-100-0344-5120-509	7/1/21-6/30/22	9,625			9,625	(7,325)		2,300			7,325
Subtotal - Special Revenue Fund - Department of Education				409,847		80,814	(57,362)	(409,847)		23,452		102,496

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2022		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>												
<b>Enterprise Fund:</b>												
COVID-19 Seamless Summer Program	22-100-010-3350-023	7/1/21-6/30/22	\$ 10,220		\$ 9,322	\$ (10,220)			\$ (898)	\$	(898)	\$ 10,220
COVID-19 Seamless Summer Program	21-100-010-3350-023	7/1/20-6/30/21	8,950	(1,592)	1,592	(10,220)					(898)	8,950
Subtotal - Enterprise Fund				(1,592)	10,914	(10,220)			(898)		(898)	19,170
Total State Department of Education				(1,324,609)	11,786,948	(11,710,594)		\$ (409,847)	\$ (709,154)	\$ 23,452	(1,271,707)	19,483,695
Total State Awards				\$ (1,324,609)	\$ 11,786,948	(11,710,594)		\$ (409,847)	\$ (709,154)	\$ 23,452	\$ (1,271,707)	\$ 19,483,695
<b>Less: On-Behalf TPAF Pension System Contributions:</b>												
On-Behalf TPAF Post Medical Retirement Contribution	22-495-034-5094-001	7/1/21-6/30/22	(855,252)			855,252						
On-Behalf Long Term Disability Insurance Contributor	22-495-034-5094-004	7/1/21-6/30/22	(1,152)			1,152						
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	(3,609,622)			3,609,622						
On-Behalf TPAF Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	(50,927)			50,927						
Subtotal - On-Behalf TPAF Pension System Contributions						4,516,953						
Total State Awards - for Major Program Determination						\$ (7,193,641)						

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

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

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Board of Education, Sussex-Wantage Regional School District under programs of the federal and state governments for the fiscal year ended June 30, 2022. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$72,755 for the general fund and (\$113,640) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and the special revenue funds.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
 (Continued)

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

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

	Federal	State	Total
General Fund	\$ 67,216	\$ 11,715,767	\$11,782,983
Special Revenue Fund	891,758	61,169	952,927
Food Service Fund	610,390	10,220	620,610
Total Awards	\$ 1,569,364	\$11,787,156	\$13,356,520

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers’ share of social security contributions for TPAF members for the fiscal year ended June 30, 2022.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a qualified opinion on the financial statements as the District's note disclosure on postemployment benefits other than pensions (OPEB) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey, as of the date of this report. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance*
- The auditor's report on compliance for its major federal and state award programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following awards:

	<u>Assistance Listing Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
COVID 19 - ARP -				
I.D.E.A. Part B, Basic	84.027X	7/1/21-9/30/22	\$ 8,195	\$ 8,195
I.D.E.A. Preschool	84.173X	7/1/21-9/30/22	4,312	4,312
I.D.E.A. Part B, Basic	84.027A	7/1/21-9/30/22	584,090	363,164
I.D.E.A. Preschool	84.173A	7/1/21-9/30/22	20,216	20,216
Child Nutrition Cluster:				
Food Distribution Program	10.555	7/1/20-6/30/21	39,562	33,715
Food Distribution Program	10.555	7/1/21-6/30/22	25,274	12,731
COVID-19 - Emergency				
Operational Cost				
Reimbursement Program	10.555	7/1/21-6/30/22	11,517	11,517
COVID-19 - Seamless Summer				
Option -				
Lunch	10.555	7/1/21-6/30/22	434,460	434,460
Breakfast	10.555	7/1/21-6/30/22	116,725	116,725

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

Summary of Auditors' Results: (Cont'd)

	Assistance Listing Number/ <u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>State:</u>				
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 833,307	\$ 833,307
School Choice Aid	22-495-034-5120-068	7/1/21-6/30/22	32,823	32,823
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	3,890,820	3,890,820
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	155,733	155,733
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	758,897	758,897

- The threshold used for distinguishing between Type A and Type B for both federal and state programs was \$750,000.
- The District was not determined to be a “low-risk” auditee for federal programs and was determined to be a "low-risk" auditee for state programs.

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey’s OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Status of Prior Year Findings:

The District had no prior year audit findings.