

**Annual Comprehensive  
Financial Report**

**of the**

**City of Linden Board of Education**

**County of Union**

**Linden, New Jersey**

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

**Prepared by**

**City of Linden, Board of Education  
Finance Department**



## TABLE OF CONTENTS

<b>INTRODUCTORY SECTION</b>	<b>PAGE</b>
Letter of Transmittal	1-4
Roster of Officials	5
Consultants and Advisors	6
Organizational Chart	7
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	8-11
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part I</b>	12
Management's Discussion and Analysis (Unaudited)	13-22
<b>BASIC FINANCIAL STATEMENTS</b>	23
A. District-Wide Financial Statements	24
A-1 Statement of Net Position	25
A-2 Statement of Activities	26
B. Major Fund Financial Statements	27
Governmental Funds:	
B-1 Balance Sheet	28-29
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	30
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Other Funds:	32
Propriety Funds:	
B-4 Statement of Net Position	33
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	34
B-6 Statement of Cash Flows	35
<b>Notes to the Financial Statements</b>	36-80

**TABLE OF CONTENTS (CONTINUED)**

	<b>PAGE</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part II</b>	<b>81</b>
C. Budgetary Comparison Schedules	82
C-1 General Fund	83-93
C-2 Special Revenue Fund	94-95
C-3 Budget to GAAP Reconciliation	96
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part III</b>	<b>97</b>
L. Schedules Related to Accounting and Reporting for Pension (GASB 68)	98
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability - Public Employees Retirement System - Last Nine Years	99
L-2 Schedule of the District’s Contributions - Public Employees Retirement System - Last Nine Years	100
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability Teachers Pension and Annuity Fund - Last Nine Years	101
L-4 Schedules Related to Accounting and Reporting for Pension (GASB 68) Note to RSI III for the Fiscal Year Ended June 30, 2022	102
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part IV</b>	<b>103</b>
M. Schedule Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions (GASB 75)	104
M-1 Schedule of Changes in the District’s Total OPEB Liability and Related Ratios - Last Five Years	105
M-2 NOTES TO Required Supplementary Information Part IV for the Fiscal Year Ended June 30, 2022	106
<b>OTHER SUPPLEMENTARY INFORMATION</b>	<b>107</b>
D. School Level Schedules	N/A
E. Special Revenue Fund	108
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	109-114
E-2 Schedule of Preschool Education Aid	115
F. Capital Projects Fund	N/A
F-1 Summary of Statement of Project Expenditures – Budgetary Basis	N/A
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	N/A
F-2A Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis - Soehl School Parking Lot	N/A

**TABLE OF CONTENTS (CONTINUED)**

	<b>PAGE</b>
G. Proprietary Funds - Enterprise Fund	116
G-1 Combining Statement of Net Position	117
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	118
G-3 Combining Statement of Cash Flows	119
H. Fiduciary Fund	N/A
I. Long-Term Debt	120
I-1 Schedule of Serial Bonds	N/A
I-2 Schedule of Obligations Under Capital Leases	121
I-3 Debt Service Fund Comparative Statements of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	N/A
I-4 Schedule of Obligations Under Installment Purchase Contracts	122

**STATISTICAL SECTION (UNAUDITED)**

J-1 Net Position by Component - Last Ten Fiscal Years	123
J-2 Changes in Net Position - Last Ten Years	124-125
J-3 Fund Balances, Governmental Funds	126
J-4 Changes in Governmental Fund Balances, Governmental Funds - Last Ten Fiscal Years	127
J-5 General Fund Other Local Revenue by Source - Last Ten Fiscal Years	128
J-6 Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	129
J-7 Direct and Overlapping Property Tax Rates - Last Ten Calendar Years	130
J-8 Principal Property Taxpayers - Current Year and Ten Years Ago	131
J-9 Property Tax Levies and Collections	132
J-10 Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	133
J-11 Ratios of Net Bonded Debt Outstanding - Last Ten Fiscal Years	134
J-12 Ratios of Overlapping Governmental Activities Debt	135
J-13 Legal Debt Margin Information - Last Ten Fiscal Years	136
J-14 Demographic and Economic Statistics - Last Ten Fiscal Years	137
J-15 Principal Employers	138
J-16 Full-Time Equivalent District Employers by Function/Program - Last Ten Fiscal Years	139
J-17 Operating Statistics - Last Ten Fiscal Years	140
J-18 School Building Information - Last Ten Fiscal Years	141-142
J-19 Schedule of Required Maintenance for School Facilities - Last Ten Fiscal Years	143
J-20 Insurance Schedule	144-145

**TABLE OF CONTENTS (CONTINUED)**

**PAGE**

**SINGLE AUDIT SECTION**

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	146-147
K-2	Independent Auditor's Report on Compliance for Each Major Federal and State Financial Assistance Program and on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB Circular 15-08	148-150
K-3	Schedule of Expenditures of Federal Awards, Schedule A	151-152
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	153
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	154-155
K-6	Schedule of Findings and Questioned Costs	156-158
K-7	Summary Schedule of Prior Audit Findings	159

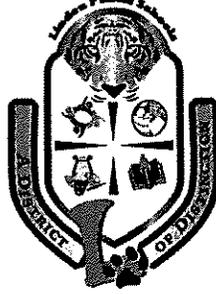
**INTRODUCTORY SECTION**

# LINDEN PUBLIC SCHOOLS

## Business Office

**Rocco G. Tomazic, Ed.D.**  
Interim Superintendent of Schools

**John A. Serapiglia, Jr.**  
Business Administrator/  
Board Secretary



**Administration Building**  
2 E. Gibbons Street  
Linden, NJ 07036  
(908) 486-2800 - Ext. 8015  
FAX (908) 486-8891

February 21, 2023

Honorable President and  
Members of the Board of Education  
Linden School District  
County of Union, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the audit requirements of Title II U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, (Uniform Guidance), and State of New Jersey OMB Circular "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** Linden School District is an independent reporting entity with the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Linden Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through grade 12. These include regular, as well as special education for handicapped youngsters.

- 2) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance 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.

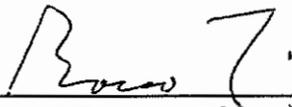
As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic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

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

- 3) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. The voters of the municipality adopt annual appropriated budgets. Annual appropriated budgets are adopted for the general fund and the special revenue 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 re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2022.
- 4) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.
- 5) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.
- 6) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute and detailed in "Notes to the financial statements", Note 2. The District requires that all public funds be deposited 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.

- 7) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The School Business Administrator/Board Secretary has established a Risk Management Committee made up of the School Business Administrator, Principal, School Nurse, Supervisor of Building and Grounds and the SAIF Insurance Agent.
- 8) **OTHER INFORMATION:**
- A) Independent Audit – State statutes requires an annual audit by independent Certified Public Accountants or Public School Accountants. The accounting firm of Suplee, Clooney, and Company, CPA’s, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the Uniform Guidance and State of New Jersey Circular OMB 15-08. The auditor’s report on the basic financial statements and combining and individual funds statement and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit and included in the single audit section of this report.
- 9) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Linden Board of Education 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.

Respectfully submitted,

  
\_\_\_\_\_  
Rocco G Tomazic, Ed.D.  
Interim Superintendent

  
\_\_\_\_\_  
John A Serapiglia, Jr.  
Business Administrator/Board Secretary

CITY OF LINDEN SCHOOL DISTRICT  
BOARD OF EDUCATION  
LINDEN, NEW JERSEY

ROSTER OF OFFICIALS  
JUNE 30, 2022

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Carlos Rivas, President	2022
Marlene Berghammer, Vice President	2024
Lymari Cintron	2024
Samuel De La Cruz	2023
Jennifer Flemming	2023
Sheenaider Guillaume	2022
Gregory R. Martucci	2022
Antoinette Pino	2024
Malaysia Thomas	2023

**Other Officials**

Dr. Marnie Hazelton, Superintendent

Denise Cleary, Assistant Superintendent

Kathleen A. Gaylord, Business Administrator/Board Secretary

City of Linden Board of Education  
Linden, New Jersey

Consultants and Advisors  
June 30, 2022

**Architect**

Di Cara | Rubino  
30 Galesi Drive, West Wing  
Wayne, NJ 07470

**Audit Firm**

Suplee, Clooney & Company  
308 East Broad Street  
Westfield, NJ 07090

**Attorneys**

Cleary, Giacobbe, Alfieri & Jacobs LLC  
169 Ramapo Valley Road, Upper Level 105  
Oakland, NJ 07436

Florio, Perrucci, Steinhardt, Cappelli, Tipton & Taylor LLC  
430 Mountain Avenue, Suite 103  
New Providence, NJ 07974

Scarinci Hollenbeck  
1100 Valley Brook Avenue  
Lyndhurst, NJ 07071

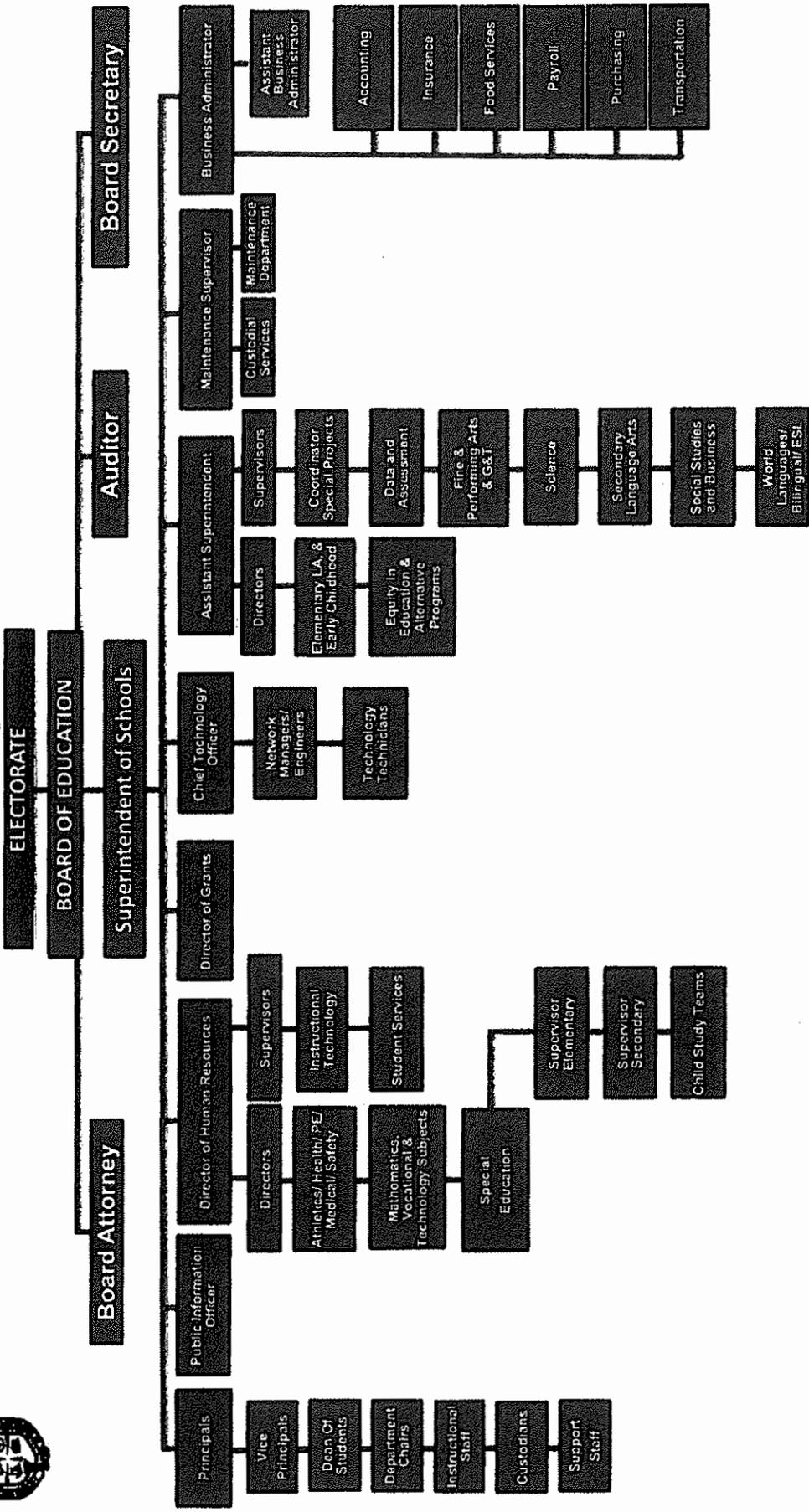
**Official Depositories**

Unity Bank  
628 N. Wood Avenue  
Linden, NJ 07036

Northfield Bank  
501 N. Wood Avenue  
Linden, NJ 07036



# Linden Public Schools Organizational Chart



**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
City of Linden School District  
County of Union  
Linden, New Jersey 07036

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the City of Linden School District, in the County of Union, State of New Jersey (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, 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 (the "Uniform Guidance") the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." 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 and provisions are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

# SUPLEE, CLOONEY & COMPANY

## ***Emphasis of Matter***

As discussed in Note 1 to the basic financial statements, for the year ended June 30, 2022, the District adopted Governmental Accounting Standards Board Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, the Uniform Guidance, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards the Uniform Guidance, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

## SUPLEE, CLOONEY & COMPANY

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibits M-1 and M-2 are presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and data such as the combining statements and individual fund financial statements, and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

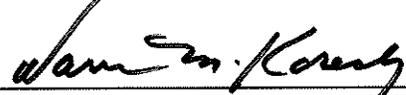
# SUPLEE, CLOONEY & COMPANY

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

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

In accordance with Government Auditing Standards, we have also issued our report dated February 21, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

February 21, 2023

**REQUIRED SUPPLEMENTARY INFORMATION – Part I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)**

# CITY OF LINDEN BOARD OF EDUCATION

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

This section of the City of Linden's Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in its entirety with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34. – Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments. Certain comparative information between the current fiscal year and the prior fiscal year is presented in the MD&A. In fiscal year 2022 the District implemented GASB Statement No. 87- Leases.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statement is comprised of three components:

- 1) District-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements

This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

#### District-wide Financial Statements

The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

#### Fund Financial Statements

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

# **CITY OF LINDEN BOARD OF EDUCATION**

Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

## **Governmental Funds**

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

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

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

These funds, with the exception of the capital projects fund, utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

## **Proprietary Funds**

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

## **Notes to the financial statements**

The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements.

## **Other information**

The combining statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

**CITY OF LINDEN BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended June 30, 2022**  
(Unaudited)

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2021-2022 fiscal years include the following:

The total of the government and business-type activities net position increased \$24,953,003 in 2021-2022.

The local tax levy of \$94,215,916 remained the same as the 2020-2021 levy.

The Food Services, Day Care, After Care and Mac Book Enterprise Funds' net position was \$2,722,485 as compared to \$2,707,122 for 2020-2021.

The total expenses of the Governmental Activities decreased by (\$15,635,294).

**District-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position relating to the District's governmental and business-type activities:

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	Change
Current and							
Other Assets	\$65,350,689.37	\$45,665,348.95	\$2,490,454.90	\$2,269,678.73	\$67,841,144.27	\$47,935,027.68	41.53%
Leased Assets	2,378,739.55				2,378,739.55		100.00%
Capital Assets	67,513,418.01	66,562,359.30	377,995.21	484,839.04	67,891,413.22	67,047,198.34	1.26%
Total Assets	<u>135,242,846.93</u>	<u>112,227,708.25</u>	<u>2,868,450.11</u>	<u>2,754,517.77</u>	<u>138,111,297.04</u>	<u>114,982,226.02</u>	<u>20.12%</u>
Deferred Outflows							
Related to Loss From							
Related to Pensions	<u>3,604,832.00</u>	<u>5,303,621.00</u>			<u>3,604,832.00</u>	<u>5,303,621.00</u>	<u>(32.03%)</u>
Long-Term							
Liabilities	27,665,746.22	34,080,724.31			27,665,746.22	34,080,724.31	(18.82%)
Short-Term							
Liabilities	5,908,414.78	4,096,194.57	145,965.38	47,396.21	6,054,380.16	4,143,590.78	46.11%
Total Liabilities	<u>33,574,161.00</u>	<u>38,176,918.88</u>	<u>145,965.38</u>	<u>47,396.21</u>	<u>33,720,126.38</u>	<u>38,224,315.09</u>	<u>(11.78%)</u>
Deferred Inflows							
Related to Pensions	<u>13,431,628.00</u>	<u>12,450,160.00</u>			<u>13,431,628.00</u>	<u>12,450,160.00</u>	<u>7.88%</u>
Net Position:							
Net investment							
in Capital							
Assets	64,037,753.05	62,175,724.63	377,995.21	484,839.04	64,415,748.26	62,660,563.67	2.80%
Restricted	62,612,283.92	43,101,956.07			62,612,283.92	43,101,956.07	45.27%
Unrestricted (Deficit)	<u>(34,808,147.04)</u>	<u>(38,373,430.33)</u>	<u>2,344,489.52</u>	<u>2,222,282.52</u>	<u>(32,463,657.52)</u>	<u>(36,151,147.81)</u>	<u>(10.20%)</u>
Total Net							
Position	<u>\$91,841,889.93</u>	<u>\$66,904,250.37</u>	<u>\$2,722,484.73</u>	<u>\$2,707,121.56</u>	<u>\$94,564,374.66</u>	<u>\$69,611,371.93</u>	<u>35.85%</u>

# CITY OF LINDEN BOARD OF EDUCATION

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

The largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment); less any related debt (general obligation bonds payable and obligations under capital leases less unspent bond proceeds) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the District reported a deficit balance in unrestricted net position.

	Governmental Activities		Business-Type Activities		Total School District	
	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2021</u>
<b>Revenue:</b>						
<b>Program Revenue:</b>						
Charges for Services	\$198,316.97	\$86,232.63	\$1,198,477.91	\$434,590.07	\$1,396,794.88	\$520,822.70
Operating Grants and Contributions	38,143,374.72	\$49,678,655.80	3,735,677.12	1,869,848.17	41,879,051.84	51,548,503.97
<b>General Revenue:</b>						
Property Taxes	94,215,916.00	94,215,916.00			94,215,916.00	94,215,916.00
Federal and State Aid not restricted	39,933,678.61	32,932,674.85			39,933,678.61	32,932,674.85
Other	1,259,237.65	681,741.27			1,259,237.65	681,741.27
<b>Total Revenue</b>	<u>173,750,523.95</u>	<u>177,595,220.55</u>	<u>4,934,155.03</u>	<u>2,304,438.24</u>	<u>178,684,678.98</u>	<u>179,899,658.79</u>
<b>Expenses:</b>						
Instruction	97,065,412.63	106,932,205.74			97,065,412.63	106,932,205.74
Student & Instructional Support Services	22,391,757.98	25,943,712.07			22,391,757.98	25,943,712.07
Administrative and Business	12,739,816.71	14,449,086.59			12,739,816.71	14,449,086.59
Maintenance & Operations	8,817,649.13	11,618,978.36			8,817,649.13	11,618,978.36
Transportation	7,681,849.39	5,387,797.08			7,681,849.39	5,387,797.08
Other			4,918,791.86	1,985,545.82	4,918,791.86	1,985,545.82
<b>Total Expenses</b>	<u>148,696,485.84</u>	<u>164,331,779.83</u>	<u>4,918,791.86</u>	<u>1,985,545.82</u>	<u>153,615,277.70</u>	<u>166,317,325.65</u>
<b>Increase/(Decrease) in Net Position</b>	<u>\$24,937,639.56</u>	<u>\$13,263,440.72</u>	<u>\$15,363.17</u>	<u>\$318,892.42</u>	<u>\$24,953,002.73</u>	<u>\$13,582,333.14</u>

Variances in both the revenues and expenditures are significantly affected by fluctuations in the actuarial revenue/expenses for TPAF and PERS Pension under GASB 68 and Postemployment Benefits under GASB 75.

# CITY OF LINDEN BOARD OF EDUCATION

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

### Financial Analysis of the District's Funds

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

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unreserved fund balance is divided between designated balances and undesignated balances. The District has designated portions of the unreserved fund balance to earmark resources for certain district-wide liabilities and postemployment obligations that are not recognized in the governmental funds. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

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

### Financial Information at Fiscal Year-End

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

<u>Sources of Revenue</u>	<u>FY 2022</u>		<u>FY 2021</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Property Taxes	\$94,215,916.00	52.73%	\$94,215,916.00	52.37%
State Formula Aid	41,879,051.84	23.44%	51,548,503.97	28.65%
Federal and State Grants	39,933,678.61	22.35%	32,932,674.85	18.31%
Charges for Services	1,396,794.88	0.78%	520,822.70	0.29%
Other	1,259,237.65	0.71%	681,741.27	0.38%
	<u>\$178,684,678.98</u>	<u>100.00%</u>	<u>\$179,899,658.79</u>	<u>100.00%</u>

Program revenues are budgeted to spend all available resources. Therefore, when the budget is prepared, it is assumed these funds will not have a carryover of revenue to a subsequent year. Program revenues received but not spent is restricted and deferred to the subsequent year. As a result, overall fund revenues variances will be negative and overall fund expenditures variances will be positive.

# CITY OF LINDEN BOARD OF EDUCATION

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

### Expenses for the Fiscal Year 2022

The total expenses for the 2021-2022 fiscal year for all programs and services were \$153,615,277.70. Table 4 below summarizes these program costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 82.76 percent of the total District costs. Administrative and business expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, and the Principal's Offices in all five school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, unallocated depreciation expense and the costs of the business-type activities of the proprietary funds. It is important to note that depreciation expense on capital assets is included in expenses for the year under the GASB entity-wide reporting model; expenses therefore include \$2,520,642.30 for depreciation. The increase in total expenses can be explained by the change in the Other Post-Employment Benefits expense based on the State's Actuarial report.

### Expenses for Fiscal Year 2022

<u>Expense Category</u>	<u>FY 2022</u>		<u>FY 2021</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$97,065,412.63	63.19%	\$106,932,205.74	64.29%
Student & Instruction Services	22,391,757.98	14.58%	25,943,712.07	15.60%
Administrative and Business	12,739,816.71	8.29%	14,449,086.59	8.69%
Maintenance & Operations	8,817,649.13	5.74%	11,618,978.36	6.99%
Transportation	7,681,849.39	5.00%	5,387,797.08	3.24%
Other	4,918,791.86	3.19%	1,985,545.82	1.19%
	<u>\$153,615,277.70</u>	<u>100.00%</u>	<u>\$166,317,325.65</u>	<u>100.00%</u>

### Governmental Activities

The table below presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of six major District activities: instruction, student and instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

# CITY OF LINDEN BOARD OF EDUCATION

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

### Net Cost of Governmental Activities

<u>Expense Category</u>	<u>FY 2022</u>		<u>FY 2021</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$71,002,055.97	64.34%	\$72,117,226.79	62.95%
Student & Instruction Services	13,566,772.20	12.29%	15,433,792.22	13.47%
Administrative and Business	10,354,908.46	9.38%	11,077,537.95	9.67%
Maintenance & Operations	8,817,649.13	7.99%	11,618,978.36	10.14%
Transportation	6,613,408.39	5.99%	4,319,356.08	3.77%
	<u>\$110,354,794.15</u>	<u>100.00%</u>	<u>\$114,566,891.40</u>	<u>100.00%</u>

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

Students and instruction related include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

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

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

"Other" includes unallocated expenses for unused vacation, debt service assessment and charter schools.

### General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting.

Over the course of the year, the Board of Education approved revisions to the general fund budget as needed. These budget amendments were necessary for the following reasons:

- Changes in administrative structure and needs required additional funds being transferred into those areas.
- Realigned appropriations in accordance with the prescribed chart of accounts as needed.

# CITY OF LINDEN BOARD OF EDUCATION

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

### Capital Asset and Debt Administration

#### Capital Assets

At June 30, 2022, the District has capital assets in excess of \$67 million, net of depreciation, which includes school facilities, land, construction in progress, site improvements, buildings, equipment and vehicles.

The following provides a summary of the capital assets, net of depreciation held by the District:

	Governmental Activities	Business-Type Activities
Land	\$ 1,590,208.00	\$
Construction in Progress	18,823,766.37	
Site Improvements	215,914.41	
Building and Building Improvements	42,009,295.04	
Machinery, Equipment and Vehicles	4,874,234.19	377,995.21
Total	<u>\$ 67,513,418.01</u>	<u>\$ 377,995.21</u>

Additional information on the District's capital assets can be found in Note 3 to the basic financial statements.

#### Debt Administration and Other Obligations

The District does not have any outstanding bond issues.

However, the District has long-term obligations at June 30, 2022 as follows:

Installment Purchase Contracts Payable	\$ 3,475,664.96
Leases Payable	2,408,017.89
Net Pension Liability	20,833,365.00
Compensated Absences	2,453,076.38
Total	<u>\$ 29,170,124.23</u>

# **CITY OF LINDEN BOARD OF EDUCATION**

Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

(Unaudited)

## ***Economic Factors and Next Year's Budget***

The tax levy had a zero per cent (0%) increase due an increase in State Aid.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of Linden District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, City of Linden Board of Education, 2 East Gibbons Street, Linden, N.J. 07036.

**BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2022.

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

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

CITY OF LINDEN SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2022

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$24,644,861.13	\$2,186,094.71	\$26,830,955.84
Receivables, net	1,495,996.38	242,700.26	1,738,696.64
Inventory		61,659.93	61,659.93
Restricted assets:			
Restricted cash and cash equivalents	39,209,831.86		39,209,831.86
Right to use Leased Assets:			
Net of Amortization	2,378,739.55		2,378,739.55
Capital assets:			
Land and construction in progress	20,413,974.37		20,413,974.37
Other capital assets, net	47,099,443.64	377,995.21	47,477,438.85
Total assets	<u>135,242,846.93</u>	<u>2,868,450.11</u>	<u>138,111,297.04</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to pensions	3,604,832.00		3,604,832.00
Total Deferred Outflows of Resources	<u>3,604,832.00</u>		<u>3,604,832.00</u>
<b>LIABILITIES:</b>			
Accounts payable	2,372,149.80	127,970.21	2,500,120.01
Payable to state government	87,047.00		87,047.00
Unearned revenue	1,943,682.11	17,995.17	1,961,677.28
Interest payable	1,157.86		1,157.86
Noncurrent liabilities:			
Due within one year	1,504,378.01		1,504,378.01
Due beyond one year:			
Net Pension Liability	20,833,365.00		20,833,365.00
Compensated absences payable	2,453,076.38		2,453,076.38
Bonds, leases and installment purchases payable	4,379,304.84		4,379,304.84
Total liabilities	<u>33,574,161.00</u>	<u>145,965.38</u>	<u>33,720,126.38</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to pensions	13,431,628.00		13,431,628.00
Total Deferred Inflows of Resources	<u>13,431,628.00</u>		<u>13,431,628.00</u>
<b>NET POSITION:</b>			
Net investment in capital assets	64,037,753.05	377,995.21	64,415,748.26
Restricted for:			
Capital projects	36,482,613.99		36,482,613.99
Other purposes	26,129,669.93		26,129,669.93
Unrestricted (deficit)	<u>(34,808,147.04)</u>	<u>2,344,489.52</u>	<u>(32,463,657.52)</u>
Total net position	<u>\$91,841,889.93</u>	<u>\$2,722,484.73</u>	<u>\$94,564,374.66</u>

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

CITY OF LINDEN SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
JUNE 30, 2022

FUNCTIONS/PROGRAMS	EXPENSES	INDIRECT EXPENSES ALLOCATION	CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
						TOTAL
Governmental Activities:						
Instruction:						
Regular	\$47,179,099.19	\$18,305,408.83		\$19,763,966.07	(\$45,720,541.95)	(\$45,720,541.95)
Special education	18,491,895.29	5,359,478.31		4,587,234.60	(19,264,139.00)	(19,264,139.00)
Other	5,653,531.64	2,075,999.37		1,712,155.99	(6,017,375.02)	(6,017,375.02)
Support services:						
Student and instruction related services	17,272,354.93	5,119,403.05	\$198,316.97	8,628,668.81	(13,566,772.20)	(13,566,772.20)
General administrative services	1,441,560.42	(77,274.10)			(1,364,286.32)	(1,364,286.32)
School administrative services	6,222,427.43	2,891,715.52		2,384,908.25	(6,729,234.70)	(6,729,234.70)
Central services	1,272,875.80	(219,315.38)			(1,053,560.42)	(1,053,560.42)
Administration information technology	1,409,467.73	(201,640.70)			(1,207,827.03)	(1,207,827.03)
Plant operations and maintenance	9,996,972.71	(1,179,323.58)			(8,817,649.13)	(8,817,649.13)
Student transportation services	7,681,849.39			1,068,441.00	(6,613,408.39)	(6,613,408.39)
Unallocated benefits	29,553,809.02	(29,553,809.02)				
Unallocated Depreciation	2,520,642.30	(2,520,642.30)				
Total governmental activities	148,696,485.84		198,316.97	38,143,374.72	(110,354,794.15)	(110,354,794.15)
Business-type activities:						
Food service	3,693,347.38		\$55,004.85	3,733,761.25	\$95,418.72	95,418.72
Day care	307,889.50		222,400.00	638.65	(84,850.85)	(84,850.85)
After care	882,330.98		691,906.89	638.62	(189,785.47)	(189,785.47)
MAC book	35,224.00		229,166.17		194,580.77	194,580.77
Total business-type activities	4,918,791.86		1,198,477.91	3,735,677.12	15,363.17	15,363.17
Total primary government	\$153,615,277.70		\$1,396,794.88	\$41,879,051.84	(\$110,354,794.15)	(\$110,339,430.98)
				General Revenues:		
				Taxes:		
				Property taxes - general	\$94,215,916.00	\$94,215,916.00
				Federal and state aid not restricted	39,933,678.61	39,933,678.61
				Miscellaneous income	1,259,237.65	1,259,237.65
				Total general revenues	135,408,832.26	135,408,832.26
				Disposal of capital assets	(116,398.55)	(116,398.55)
				Change in net position	24,937,639.56	24,937,639.56
				Net Position - beginning	66,904,250.37	66,904,250.37
				Net Position ending	\$91,841,889.93	\$91,841,889.93
					2,707,121.56	2,707,121.56
					\$2,722,484.73	\$2,722,484.73

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

## **MAJOR FUND FINANCIAL STATEMENTS**

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

CITY OF LINDEN SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$24,644,861.13	\$1,389,732.46	\$26,034,593.59
Cash, capital reserve	36,482,613.99		36,482,613.99
Cash, emergency reserve	949,683.05		949,683.05
Cash, payroll agency	224.69		224.69
Cash, unemployment	387,577.67		387,577.67
Accounts receivable:			
Federal	64,523.63	593,274.67	657,798.30
State	818,157.76		818,157.76
Other	20,040.32		20,040.32
Interfund receivable	7.00		7.00
	<u>\$63,367,689.24</u>	<u>\$1,983,007.13</u>	<u>\$65,350,696.37</u>
<b>Total assets</b>			
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
Payroll deductions and withholdings payable	\$224.69		\$224.69
Unemployment compensation claims payable	170,559.11		170,559.11
Interfund payable		\$7.00	7.00
Intergovernmental payables:			
State		87,047.00	87,047.00
Unearned revenue		1,943,682.11	1,943,682.11
	<u>\$170,783.80</u>	<u>\$2,030,736.11</u>	<u>\$2,201,519.91</u>
<b>Total liabilities</b>			
<b>Fund balances:</b>			
<b>Restricted for:</b>			
Excess surplus-current year	\$14,243,639.96		\$14,243,639.96
Designated for subsequent years expenditures -			
Excess surplus-prior year	3,500,000.00		3,500,000.00
Capital reserve account	36,482,613.99		36,482,613.99
Emergency reserve account	949,683.05		949,683.05
Unemployment compensation	217,018.56		217,018.56
Scholarships		\$13,676.70	13,676.70
Student Activities		187,686.72	187,686.72
<b>Assigned to:</b>			
FFCRA/SEMI Designated for			
subsequent years expenditures	18,126.77		18,126.77
Designated for subsequent years expenditures	581,674.00		581,674.00
Year end encumbrances	6,418,164.17		6,418,164.17
<b>Unassigned:</b>			
General fund	785,984.94		785,984.94
Special revenue fund (deficit)		(249,092.40)	(249,092.40)
	<u>\$63,196,905.44</u>	<u>(\$47,728.98)</u>	<u>\$63,149,176.46</u>
<b>Total fund balances</b>			
<b>Total liabilities and fund balances</b>	<u>\$63,367,689.24</u>	<u>\$1,983,007.13</u>	<u>\$65,350,696.37</u>

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

CITY OF LINDEN SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

Total Fund Balances (Brought Forward)		\$63,149,176.46
Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost of Assets	\$110,531,283.30	
Accumulated Depreciation	<u>(43,017,865.29)</u>	67,513,418.01
Right to Use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
		2,378,739.55
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Net Pension Liability	(\$20,833,365.00)	
Leases Payable	(\$2,408,017.89)	
Installment Purchase Contracts payable	(3,475,664.96)	
Compensated absences payable	<u>(2,453,076.38)</u>	(29,170,124.23)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Pensions:		
Deferred Outflows		
Pension Related		3,604,832.00
Deferred Inflows:		
Pension Related		(13,431,628.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension Related	(2,201,366.00)	
Accrued Interest Payable	<u>(1,157.86)</u>	<u>(2,202,523.86)</u>
Net Position of Governmental Activities		<u><u>\$91,841,889.93</u></u>

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

CITY OF LINDEN SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>			
Local sources:			
Local tax levy	\$94,215,916.00		\$94,215,916.00
Tuition	54,979.14		54,979.14
Tuition from other LEAs	30,729.95		30,729.95
Other restricted miscellaneous revenues	587.48		587.48
Miscellaneous	645,727.94	\$358,371.90	1,004,099.84
<b>Total - local sources</b>	<b>94,947,940.51</b>	<b>358,371.90</b>	<b>95,306,312.41</b>
State sources	69,634,321.94	2,849,323.74	72,483,645.68
Federal sources	400,732.61	6,756,200.25	7,156,932.86
<b>Total revenues</b>	<b>\$164,982,995.06</b>	<b>\$9,963,895.89</b>	<b>\$174,946,890.95</b>
<b>EXPENDITURES:</b>			
Current expense:			
Regular instruction	\$34,354,372.32	\$4,666,796.13	\$39,021,168.45
Special instruction	9,181,093.71	167,068.10	9,348,161.81
Other Instruction	4,082,674.83		4,082,674.83
Support services:			
Tuition	7,972,276.39		7,972,276.39
Student and instruction related services	10,484,166.15	4,602,818.52	15,086,984.67
General administrative services	1,421,526.42		1,421,526.42
School administrative services	5,052,397.86		5,052,397.86
Central services	1,272,875.80		1,272,875.80
Administrative information technology	1,409,467.73		1,409,467.73
Plant operations and maintenance	10,877,086.22		10,877,086.22
Student transportation	7,681,849.39		7,681,849.39
Unused vacation pay to terminated/retired staff	112,621.97		112,621.97
Unallocated benefits	48,900,310.99		48,900,310.99
Capital outlay	5,619,179.39	561,743.42	6,180,922.81
Capital outlay - debt service assessment	47,663.00		47,663.00
Capital outlay - lease principal	424,201.68		424,201.68
Transfer to charter schools	418,609.00		418,609.00
<b>Total expenditures</b>	<b>149,312,372.85</b>	<b>9,998,426.17</b>	<b>159,310,799.02</b>
Excess (deficiency) of revenues over (under) expenditures	15,670,622.21	(34,530.28)	15,636,091.93
Other financing sources (uses):			
Operating transfers in/out	(100,000.00)	100,000.00	
Leases (non-budgeted)	2,973,424.44		2,973,424.44
<b>Total other financing sources (uses)</b>	<b>2,873,424.44</b>	<b>100,000.00</b>	<b>2,973,424.44</b>
<b>Net change in fund balances</b>	<b>18,544,046.65</b>	<b>65,469.72</b>	<b>18,609,516.37</b>
Fund balances, beginning of year (deficit)	44,652,858.79	(113,198.70)	44,539,660.09
<b>Fund balances, end of year (deficit)</b>	<b>\$63,196,905.44</b>	<b>(\$47,728.98)</b>	<b>\$63,149,176.46</b>

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

CITY OF LINDEN SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Total net change in fund balances - governmental funds (from B-2)	\$18,609,516.37
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 exceeded depreciation in the period	
Depreciation expense	(\$2,520,642.30)
Capital outlays	3,679,363.05
Capital outlays not capitalized	<u>(91,263.49)</u>
	1,067,457.26
Capital outlays related to lease 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 exceeded depreciation in the period.	
Leased Asset Additions	2,973,424.44
Amortization Expense	<u>(594,684.89)</u>
	2,378,739.55
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.	
Lease - Current Year	(2,973,424.44)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	
Payment of installment purchase contract payable	910,969.71
Payment of leases payable	565,406.55
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.	(1,157.86)
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	(59,394.03)
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed.	(116,398.55)
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.	
District pension contributions	2,059,536.00
Add: Pension benefit	<u>2,496,389.00</u>
	<u>4,555,925.00</u>
Change in net position of governmental activities	<u>\$24,937,639.56</u>

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

**OTHER FUNDS**

CITY OF LINDEN SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES				TOTAL ENTERPRISE FUNDS
	FOOD SERVICE FUND	DAY CARE FUND	AFTER CARE FUND	MAC BOOK FUND	
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$1,404,792.81	\$32,331.17	\$353,373.60	\$395,597.13	\$2,186,094.71
Accounts receivable:					
Federal	237,940.19				237,940.19
State	4,760.07				4,760.07
Inventories	61,659.93				61,659.93
Total current assets	<u>1,709,153.00</u>	<u>32,331.17</u>	<u>353,373.60</u>	<u>395,597.13</u>	<u>2,490,454.90</u>
Noncurrent assets:					
Furniture, machinery and equipment	1,540,580.55				1,540,580.55
Less accumulated depreciation	<u>(1,162,585.34)</u>				<u>(1,162,585.34)</u>
Total noncurrent assets	<u>377,995.21</u>				<u>377,995.21</u>
Total assets	<u>\$2,087,148.21</u>	<u>\$32,331.17</u>	<u>\$353,373.60</u>	<u>\$395,597.13</u>	<u>\$2,868,450.11</u>
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	\$127,970.21				\$127,970.21
Unearned revenue	17,995.17				17,995.17
Total current liabilities	<u>145,965.38</u>				<u>145,965.38</u>
Total liabilities	<u>\$145,965.38</u>				<u>\$145,965.38</u>
<u>NET POSITION</u>					
Restricted for:					
Net Investment in capital assets	\$377,995.21				\$377,995.21
Unrestricted	1,563,187.62	\$32,331.17	\$353,373.60	\$395,597.13	2,344,489.52
Total net position	<u>\$1,941,182.83</u>	<u>\$32,331.17</u>	<u>\$353,373.60</u>	<u>\$395,597.13</u>	<u>\$2,722,484.73</u>

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

**CITY OF LINDEN SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES -				TOTAL ENTERPRISE FUNDS
	FOOD SERVICE FUND	DAY CARE FUND	AFTER CARE FUND	MAC BOOK FUND	
<b>OPERATING REVENUES:</b>					
Charges for services:					
Daily sales - reimbursable programs	\$39,037.97				\$39,037.97
Daily sales - non-reimbursable programs		\$222,400.00	\$691,906.89	\$229,166.17	1,143,473.06
Miscellaneous	15,966.88				15,966.88
<b>Total operating revenues</b>	<b>\$55,004.85</b>	<b>\$222,400.00</b>	<b>\$691,906.89</b>	<b>\$229,166.17</b>	<b>\$1,198,477.91</b>
<b>OPERATING EXPENSES:</b>					
Cost of sales - reimbursable programs	\$1,551,780.98				\$1,551,780.98
Salaries and employee benefits	1,499,682.27	\$307,889.50	\$868,532.92		2,676,104.69
Other purchased service	17,250.55		1,019.25		18,269.80
Cleaning, repairs and maintenance	28,538.44			\$35,224.00	63,762.44
Insurance	34,328.92				34,328.92
Supplies and materials	155,832.55		11,077.31		166,909.86
Other expenses	299,089.84		1,701.50		300,791.34
Depreciation	106,843.83				106,843.83
<b>Total operating expenses</b>	<b>3,693,347.38</b>	<b>307,889.50</b>	<b>882,330.98</b>	<b>35,224.00</b>	<b>4,918,791.86</b>
Net operating income (loss)	(\$3,638,342.53)	(\$85,489.50)	(\$190,424.09)	\$193,942.17	(\$3,720,313.95)
<b>NONOPERATING REVENUE (EXPENSE):</b>					
State sources:					
State School Lunch Program	\$70,008.86				\$70,008.86
Federal sources:					
National School Lunch Program	2,978,128.00				2,978,128.00
National School Breakfast Program	301,665.38				301,665.38
National School Snack Program	13,935.00				13,935.00
Summer Food Service Program	129,194.37				129,194.37
P-EBT Administrative Cost	3,135.00				3,135.00
National food distribution commodities	237,694.64				237,694.64
Other income		\$638.65	\$638.62	\$638.60	1,915.87
<b>Total nonoperating revenue (expense)</b>	<b>\$3,733,761.25</b>	<b>\$638.65</b>	<b>\$638.62</b>	<b>\$638.60</b>	<b>\$3,735,677.12</b>
Change in net position	95,418.72	(84,850.85)	(189,785.47)	194,580.77	15,363.17
Total net position - beginning	1,845,764.11	117,182.02	543,159.07	201,016.36	2,707,121.56
Total net position - ending	<b>\$1,941,182.83</b>	<b>\$32,331.17</b>	<b>\$353,373.60</b>	<b>\$395,597.13</b>	<b>\$2,722,484.73</b>

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

CITY OF LINDEN SCHOOL DISTRICT  
PROPRIETARY FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES				TOTAL ENTERPRISE FUNDS
	FOOD SERVICE FUND	DAY CARE FUND	AFTER CARE FUND	MAC BOOK FUND	
Cash flows from operating activities:					
Receipts from customers	\$55,004.85	\$222,400.00	\$691,906.89	\$229,166.17	\$1,198,477.91
Payments to employees and employee benefits	(1,499,682.27)	(307,889.50)	(868,532.92)		(2,676,104.69)
Payments to suppliers	(2,010,576.80)		(13,798.06)	(35,224.00)	(2,059,598.86)
Net cash provided (used) by operating activities	<u>(\$3,455,254.22)</u>	<u>(\$85,489.50)</u>	<u>(\$190,424.09)</u>	<u>\$193,942.17</u>	<u>(\$3,537,225.64)</u>
Cash flows from noncapital financing activities:					
State sources	\$73,968.77				\$73,968.77
Federal sources	3,983,506.24				3,983,506.24
Net cash provided (used) by noncapital financing activities	<u>\$4,057,475.01</u>				<u>\$4,057,475.01</u>
Cash flows from investing activities:					
Interest on investments and deposits		\$638.65	\$638.62	\$638.60	\$1,915.87
Net cash provided (used) by investing activities		<u>\$638.65</u>	<u>\$638.62</u>	<u>\$638.60</u>	<u>\$1,915.87</u>
Net increase in cash and cash equivalents	602,220.79	(84,850.85)	(189,785.47)	194,580.77	522,165.24
Cash and cash equivalents, June 30, 2021	802,572.02	117,182.02	543,159.07	201,016.36	1,663,929.47
Cash and cash equivalents, June 30, 2022	<u>\$1,404,792.81</u>	<u>\$32,331.17</u>	<u>\$353,373.60</u>	<u>\$395,597.13</u>	<u>\$2,186,094.71</u>
Operating income(loss)	(\$3,638,342.53)	(\$85,489.50)	(\$190,424.09)	\$193,942.17	(\$3,720,313.95)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:					
Depreciation and net amortization	106,843.83				106,843.83
Change in assets and liabilities:					
(Increase) Decrease in inventories	(22,324.69)				(22,324.69)
Increase (Decrease) in unearned revenue	8,807.28				8,807.28
Increase (Decrease) in accounts payable	89,761.89				89,761.89
Net cash provided (used) by operating activities	<u>(\$3,455,254.22)</u>	<u>(\$85,489.50)</u>	<u>(\$190,424.09)</u>	<u>\$193,942.17</u>	<u>(\$3,537,225.64)</u>

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

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Linden School District have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental 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.

**Reporting Entity**

The City of Linden School District is a Type II District located in Union County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a nine (9) member board elected to three-year staggered terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the 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.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include two elementary schools, two middle schools and a high school. 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.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation, Basis of Accounting**

The District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Basis of Presentation**

*District-wide Statements:* The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and 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 requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as generally revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

*Fund Financial Statements:* During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. Separate statements for each fund category – governmental and proprietary - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB 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.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Governmental Fund Types**

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

As required by the New Jersey State Department of Education, the District includes budgeted Capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to the current expense by Board resolution; in certain instances, approval by the County Superintendent of Schools may also be required.

**Special Revenue Fund** - The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources from State and Federal Governments (other than major capital projects, debt service or proprietary 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 all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Proprietary Fund**

**Enterprise Fund** - The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service operations, After Care Fund, Mac Book Fund, and the Day Care Fund. These 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.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method.

**Basis of Accounting - Measurement Focus**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

**District-Wide and Proprietary Fund Financial Statements** - The Districtwide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting - Measurement Focus (Continued)**

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

All governmental and business type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Account Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control (Continued)**

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

**Encumbrance Accounting**

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as unassigned 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 deferred revenues at fiscal year-end.

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

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The Interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

**Inventories and Prepaid Expenses**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future period, other than those recorded in the enterprise fund, are recorded as an expenditure in the year of purchase.

**Capital Assets**

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Lives</u></b>
School Buildings	50
Building Improvements	50
Electrical/Plumbing	30
Vehicles	10
Office & Computer Equipment	10
Instructional Equipment	10
Grounds Equipment	15

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits. The District uses the "vesting method" for estimating its accrued sick and vacation leave liability. District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after one year of service. The liability for vested compensated absences of the District is recorded in the government-wide financial statements and includes salary related payments.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

**Fund Equity**

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designations of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

**Unearned Revenue**

Unearned revenue in the special revenue and proprietary funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is an allowable practice under generally accepted accounting principles. Unearned revenue in the Proprietary Fund represents deposits from students for future program fees.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued Liabilities and Long-Term Obligations**

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

**Net Position**

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

**Fund Balance Restrictions**

GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" modifies fund balance reporting and clarifies fund type definitions. This Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Under the standard, in the fund financial statements, governmental funds report the following classifications of fund balance:

**Non-Spendable** – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

**Restricted** – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Emergency Reserve, Unemployment Compensation, Scholarships, Student Activities and Excess Surplus as Restricted Fund Balance.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Restrictions (Continued)**

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business administrator. The District reports Year End Encumbrances and Designated for Subsequent Years Expenditures as Assigned Fund Balance.

Unassigned - is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred, for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**Revenues – Exchange and Non-Exchange Transactions**

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

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues - Exchange and Non-Exchange Transactions (Continued)**

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

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

**Proprietary Fund Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service and costs for the day care, after care and MacBook programs. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function in the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Extraordinary and Special Items**

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

**Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make assumptions that affect the amounts reported as revenue and expenditures/expenses during the reporting period. These estimates may differ from actual results.

**Accounting and Financial Reporting for Pensions**

In the district-wide financial statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, the year-end net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1<sup>st</sup> of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The governmental fund financial statements reflect both a revenue and expenses for this pension contribution.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

**Leases**

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

**Right to Use Assets**

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

**Recently Adopted Accounting Pronouncements**

Beginning with the year ended June 30, 2022, the District has implemented GASB Statement 87, *Leases*. GASB Statement 87 establishes criteria for accounting and financial reporting for leases. It creates a single model for lease accounting and requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. A Lessee is required to recognize a lease liability and an intangible right to use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The District considers petty cash, change funds, cash in banks, deposits in the government money market account, and short-term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits (Continued)**

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

<u>Fund</u>	<u>Cash In</u> <u>Bank</u>	<u>Additions</u>	<u>Reductions</u>	<u>Reconciled</u> <u>Balance</u>
General	\$ 68,967,554.64	\$ 2,263.08	\$ (6,504,857.19)	\$ 62,464,960.53
Special Revenue	1,398,738.15		(9,005.69)	1,389,732.46
Enterprise	2,186,094.71			2,186,094.71
	<u>\$ 72,552,387.50</u>	<u>\$ 2,263.08</u>	<u>\$ (6,513,862.88)</u>	<u>\$ 66,040,787.70</u>

**Custodial Credit Risk - Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2022 based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$72,552,387.50, \$500,000.00 was covered by Federal Depository Insurance, \$72,052,387.50 was covered by Governmental Unit Deposit Protection Act (GUDPA).

**Investments**

The purchase of investments by the Board is strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type 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 which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

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 Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts.
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - 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. 17:19-41); and;
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

At June 30, 2022, the District had no outstanding investments that were not considered "cash equivalents".

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Based upon the limitation set forth by New Jersey Statutes 18A:20-37 and its existing investment practices, the District is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risks for its deposits and investments.

**NOTE 3: CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 1,590,208.00	\$	\$	\$ 1,590,208.00
Construction In Progress	18,716,991.54	106,774.83		18,823,766.37
Total capital assets that are not depreciated	<u>\$ 20,307,199.54</u>	<u>\$ 106,774.83</u>	<u>\$</u>	<u>\$ 20,413,974.37</u>
Capital assets being depreciated:				
Land improvements	\$ 1,393,071.26	\$	\$	\$ 1,393,071.26
Building and building improvements	72,873,540.04	1,986,030.60		74,859,570.64
Machinery and equipment	12,485,771.45	1,495,294.13	(116,398.55)	13,864,667.03
Total capital assets being depreciated	<u>\$ 86,752,382.75</u>	<u>\$ 3,481,324.73</u>	<u>\$ (116,398.55)</u>	<u>\$ 90,117,308.93</u>
Total gross assets	<u>\$ 107,059,582.29</u>	<u>\$ 3,588,099.56</u>	<u>\$ (116,398.55)</u>	<u>\$ 110,531,283.30</u>
Less: accumulated depreciation for:				
Land improvements	\$ (1,149,694.11)	\$ (27,462.74)	\$	\$ (1,177,156.85)
Building and Building Improvements	(31,079,871.13)	(1,666,351.92)		(32,746,223.05)
Machinery and Equipment	(8,267,657.75)	(826,827.64)		(9,094,485.39)
	<u>\$ (40,497,222.99)</u>	<u>\$ (2,520,642.30)</u>	<u>\$</u>	<u>\$ (43,017,865.29)</u>
Total Capital Assets being depreciated, net of accumulated depreciation	<u>\$ 46,255,159.76</u>	<u>\$ 960,682.43</u>	<u>\$ (116,398.55)</u>	<u>\$ 47,099,443.64</u>
Governmental activities capital assets, net	<u>66,562,359.30</u>	<u>1,067,457.26</u>	<u>(116,398.55)</u>	<u>67,513,418.01</u>
Business type activities:				
Machinery and equipment	\$ 1,540,580.55	\$	\$	\$ 1,540,580.55
Less: accumulated depreciation	(1,055,741.51)	(106,843.83)		(1,162,585.34)
Proprietary fund capital assets, net	<u>\$ 159,232.71</u>	<u>\$ (106,843.83)</u>	<u>\$</u>	<u>\$ 377,995.21</u>

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 3: CAPITAL ASSETS (CONTINUED)**

Depreciation Expense was charged to governmental expenses as follows:

Governmental Activities:			
Instruction:			
Regular	\$	1,191,775.18	
Special		348,929.29	
Other Instruction		135,158.11	
Support services:			
Student & instruction related services		333,299.17	
General administrative services		14,888.44	
School administrative services		188,265.38	
Central services		42,255.61	
Administrative technology information		38,850.22	
Plant operations and maintenance		<u>227,220.90</u>	
Total	\$	<u>2,520,642.30</u>	

**NOTE 4: RIGHT TO USE LEASED ASSETS**

The District has recorded a right to use leased asset. The asset is a right to use asset for leased buildings. The related lease is discussed in the Leases subsection of the Long-term obligations section of this note. The right to use lease asset is amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the year ended June 30, 2022 was as follows:

	<u>Increased</u>	<u>Retirements</u>	<u>Ending Balances</u>
Governmental Funds:			
Right to Use Assets:			
Leased Buildings	<u>\$2,973,424.44</u>		<u>\$2,973,424.44</u>
Total Right to Use Assets	2,973,424.44		2,973,424.44
Less: Accumulated Amortization for:			
Leased Buildings		<u>\$594,684.89</u>	<u>(594,684.89)</u>
Total Accumulated Amortization		594,684.89	(594,684.89)
Governmental Funds - Right to Use assets, net	<u>\$2,973,424.44</u>	<u>\$594,684.89</u>	<u>\$2,378,739.55</u>

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 5: LONG-TERM LIABILITIES**

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

At June 30, 2022, the District had no bonds issued or no bonds or notes authorized but not issued.

The following is a summary of changes in liabilities that effect other long-term obligations for the year ended June 30, 2022.

	Installment Purchase Contracts <u>Payable</u>	Leases <u>Payable</u>	Compensated Absences <u>Payable</u>	Net Pension <u>Liability</u>	<u>Total</u>
Balance June 30, 2021	\$4,386,634.67		\$2,393,682.35	\$28,211,377.00	\$34,991,694.02
Additions/ Issued		2,973,424.44	59,394.03		3,032,818.47
Reductions	<u>910,969.71</u>	<u>565,406.55</u>		<u>7,378,012.00</u>	<u>8,854,388.26</u>
Balance June 30, 2022	<u>\$3,475,664.96</u>	<u>\$2,408,017.89</u>	<u>\$2,453,076.38</u>	<u>\$20,833,365.00</u>	<u>\$29,170,124.23</u>
Amounts Due within one year	<u>\$925,507.98</u>	<u>\$578,870.03</u>			<u>\$1,504,378.01</u>

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 5: LONG-TERM LIABILITIES (CONTINUED)**

Under New Jersey Statutes the District may incur debt in an amount not to exceed 4% of the averaged equalized valuation basis of real property. For the fiscal year ended June 30, 2022, the District borrowing capacity under N.J.S. 18A:24-19 would be as follows:

<u>Year</u>	<u>Equalized Valuation of Real Property</u>
2019	\$ 6,269,145,480.00
2020	6,752,038,404.00
2021	<u>7,082,502,463.00</u>
	<u>\$ 20,103,686,347.00</u>
 Average equalized valuation of property	 \$ 6,701,228,782.33
School borrowing margin ( 4% of \$6,701,228,782.33 )	268,049,151.29
 Net bonded school debt as of June 30, 2022	 <u>-0-</u>
 School borrowing power available	 <u>\$ 268,049,151.29</u>

**Leases**

The District has entered into an agreement to lease building space. The lease agreement qualifies as other than short-term leases under GASB 87 and therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

The lease, dated June 21, 2021, has a term of 5 years with. The fixed annual payment under the agreement ranges from 591,235 to 627,424. There are no variable payment components of the leases. The lease liability is measured at a discount rate of 0.577%, which is the incremental borrowing rate to the District. The District has recorded this right to use asset with a net book value of \$2,378,739.55 at June 30, 2022. This asset is discussed in more detail in the right to use asset section of this note.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 5: LONG-TERM LIABILITIES (CONTINUED)**

**Leases (Continued)**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ended			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$578,870.03	\$12,364.97	\$591,235.00
2024	594,075.29	8,984.71	603,060.00
2025	609,605.13	5,515.87	615,121.00
2026	625,467.44	1,956.56	627,424.00
	<u>\$2,408,017.89</u>	<u>\$28,822.11</u>	<u>\$2,436,840.00</u>

**Installment Purchase Contracts Payable**

The District entered into a sale and lease back agreement in the amount of \$4,440,000.00 with the City of Linden for the athletic fields. The City then entered into a lease purchase agreement with the Union County Improvement Authority. The City then renovated the fields and has leased them back to the District. The lease was refinanced in August, 2016 and matures annually through November 1, 2030, bearing interest rates of between 3.0% and 4.0%. The District entered into another lease for Cyber Security Software- Malware Protection, in February 2020 and matures annually through March 15, 2024, at an interest rate of 2.44%. The District entered into two leases for Apple iPads and MacBook Airs, in May 2021 and matures annually through May 3, 2024, at a 0.00% interest rate. The following is a schedule of the future minimum lease payments under these installment purchase contracts, and the present value of the net minimum lease payments at June 30, 2022:

Year Ended			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$925,507.98	\$78,511.44	\$1,004,019.42
2024	935,156.98	65,962.44	1,001,119.42
2025	205,000.00	53,100.00	258,100.00
2026	215,000.00	44,700.00	259,700.00
2027	220,000.00	36,000.00	256,000.00
2028-2031	975,000.00	60,650.00	1,035,650.00
	<u>\$3,475,664.96</u>	<u>\$338,923.88</u>	<u>\$3,814,588.84</u>

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 6: PENSION PLANS**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF) which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or online at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Defined Contribution Retirement Program (DCRP)** - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 6: PENSION PLANS (CONTINUED)**

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

**Pension Plan Design Changes**

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 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.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 6: PENSION PLANS (CONTINUED)**

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e., the State of New Jersey makes the employer contribution on behalf of public school districts).

**Three-Year Trend Information for PERS**

<u>Year</u>	<u>Annual Pension</u>	<u>Percentage of</u>	<u>Net Pension</u>
<u>Funding</u>	<u>Cost (APC)</u>	<u>APC</u> <u>Contributed</u>	<u>Obligation</u>
6/30/2022	\$2,059,536	100%	\$2,059,536
6/30/2021	\$1,892,508	100%	\$1,892,508
6/30/2020	\$1,699,690	100%	\$1,699,690

For the fiscal years ended June 30, 2022, 2021, and 2020 the State of New Jersey contributed \$20,340,011.00, \$14,375,958.00 and \$10,608,392.00, respectively to the TPAF pension system on behalf of the District.

In accordance with N.J.S.A. 18A:66-66 during the years ended June 30, 2022, 2021 and 2020, the State of New Jersey reimbursed the District \$3,933,069.94, \$3,922,986.81 and \$3,923,474.35, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the governmental fund statements and schedules as a revenue and expenditure in accordance with GASB 68.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2022, the District reported a liability of \$20,833,365.00 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 0.1758609398 percent, which was an increase of 0.0028633845 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension benefit of \$2,496,389.00 in the government-wide financial statements. This pension benefit was based on the pension plans June 30, 2021 measurement date.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 328,569.00	\$ 149,142.00
Changes of assumptions		7,416,813.00
Net difference between projected and actual earnings on pension plan investments	108,500.00	5,488,056.00
Changes in proportion and differences between District contributions and proportionate share of contributions	966,397.00	377,617.00
District contributions subsequent to the measurement date	<u>2,201,366.00</u>	
	<u>\$ 3,604,832.00</u>	<u>\$ 13,431,628.00</u>

The \$2,201,366.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e., for the school year ending June 30, 2022, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS) (Continued)**

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

<u>Year Ended</u> <u>June 30,</u>	<u>Amount</u>
2022	(\$4,798,011.00)
2023	(3,392,090.00)
2024	(2,275,360.00)
2025	(1,681,156.00)
2026	118,455.00
	<u>(\$12,028,162.00)</u>

**Actuarial Assumptions**

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

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00%-6.00%
	Based on Years of Service
Thereafter	3.00%-7.00%
	Based on Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

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

**Long-Term Rate of Return**

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

<u>Assets 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 Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

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

	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$28,370,818.00	\$20,833,365.00	\$14,436,767.00

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

**Teachers Pensions and Annuity Fund (TPAF)**

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2022 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$233,316,507</u>
	<u>\$233,316,507</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 which was rolled forward to June 30, 2021. The net pension liability associated with the District 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 school districts and the State, actuarially determined. At June 30, 2021, the proportion of the TPAF net pension liability associated with the District was .4853158435% which was an increase of .0101778002 percent from its proportion measured as of June 30, 2020.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue of \$5,490,040.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2021 measurement date.

**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%

**Mortality Rate**

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 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.

**City of Linden School District**  
**Notes to the Financial Statements**  
June 30, 2022

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries.

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Assets 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 Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

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

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS – GASB 75**

**Plan Description and Benefits Provided**

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, with that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Employees Covered by Benefit Terms**

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,328</u>

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Total Non-Employer OPEB Liability**

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2022 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	<u>256,603,505</u>
	<u><u>\$256,603,505</u></u>

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

The total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2022, the District recognized on-behalf post-employment expense and revenue of \$18,405,853.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2021 measurement date.

At June 30, 2021, the District's proportion was 0.4276179801 percent, which was an increase of .0071125868 from its proportion measured as of June 30, 2020.

The State, a Non-Employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Inputs**

The total Non-Employer OPEB liability that was associated with the District as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>June 30, 2021</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases			
Through 2026	1.55-4.45%*	2.00-6.00%*	3.25-15.25%*
Thereafter	2.75-5.65%*	3.00-7.00%*	Not Applicable

\*- Based on Years of Service

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015— June 30, 2018, July 1, 2014 — June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS and PFRS, respectively.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2021 and June 30, 2020 was 2.16% and 2.21% respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Changes in the Total Non-Employer OPEB Liability**

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2020 to June 30, 2021.

Balance at 6/30/20		\$285,144,550
Changes for the year:		
Service cost	\$15,733,297	
Interest	6,656,565	
Changes of Benefit Terms	(273,123)	
Differences between expected and actual experience	(45,837,610)	
Changes in assumptions or other inputs	253,159	
Membership Contributions	170,176	
Benefit payments - Net	(5,243,509)	
Net changes		(28,541,045)
Balance at 6/30/21		\$256,603,505

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate**

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

	June 30, 2021		
	<u>1.00% Decrease (1.16%)</u>	<u>At Discount Rate (2.16%)</u>	<u>1.00% Increase (3.16%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$307,370,716	\$256,603,505	\$216,627,374

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends**

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2021, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$207,721,371	\$256,603,505	\$322,248,599



**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**State Health Benefit Local Education Retired Employee Plan Information**

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at:

<http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>

**NOTE 9: LITIGATION**

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

**NOTE 10: INVENTORY**

Inventory in the Food Service Fund at June 30, 2022 consisted of the following:

Food and Supplies	<u>\$61,659.93</u>
-------------------	--------------------

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

**NOTE 11: CONTINGENCIES**

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2021-2022 fiscal year were subject to the U.S. OMB Circular Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 12: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the fund balance sheet at June 30, 2022:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$7.00	
Special Revenue Fund	<u>                    </u>	<u>\$7.00</u>
	<u>\$7.00</u>	<u>\$7.00</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

**NOTE 13: RISK MANAGEMENT**

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation. The table below is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the combined ending balance of the District's Unemployment Compensation Claims Payable and Unemployment Restricted Fund Balance for the current and previous two years:

<u>Year Ended</u>	<u>Employer</u>	<u>Interest and</u>	<u>Amount</u>	<u>Ending</u>
<u>June 30,</u>	<u>Contributions</u>	<u>Employee</u>	<u>Reimbursed</u>	<u>Balance</u>
		<u>Contributions</u>		
2022	\$-0-	\$173,359.10	\$47,678.26	\$387,577.67
2021	-0-	154,076.14	108,011.85	261,896.83
2020	-0-	164,247.99	109,911.27	215,832.54

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 14: COMPENSATED ABSENCES**

District employees earn sick leave at the rate of one day for each month of service. Upon retirement for service and age or disability from TPAF or PERS, an employee is entitled to receive payment for accumulated sick days, at various rates for unused accumulated sick leave, subject to a 95% or better attendance clause, for all employees covered by the agreement between the Board of Education of the City of Linden and the City of Linden Education Association and for unaffiliated support staff. Members of the Association of Principals and Supervisors of the City of Linden are entitled to a maximum payment of \$18,000.00. Sick days for the School Business Administrator/Board Secretary and the superintendent of schools shall accumulate from year to year.

Twelve month District employees are entitled to vacation time.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absence balance is not considered material to the applicable fund total liabilities, and is therefore not shown separately for the long-term liability balance of compensated absences.

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 proprietary fund types.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

**NOTE 15: DEFERRED COMPENSATION**

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The district offers a variety of plan administrators as follows:

AXA Advisors  
Met Life  
Lincoln Investments  
Voya Retirement and Annuity Company

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 16: FUND BALANCE APPROPRIATED**

**General Fund** – Of the \$63,196,905.44 General Fund balance at June 30, 2022, \$6,418,164.17 is assigned for year-end encumbrances; \$581,674.00 is assigned to designated for subsequent years expenditures; \$18,126.77 is assigned to SEMI/FFCRA designated for subsequent years expenditures; \$36,482,613.99 has been restricted in the Capital Reserve Account; \$949,683.05 is restricted in the Emergency Reserve Account; \$217,018.56 is restricted for state unemployment and \$785,984.94 is unassigned; \$17,743,639.96 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which \$3,500,000.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2023.

**NOTE 17: CALCULATION OF EXCESS SURPLUS- BUDGETARY BASIS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004,c.73 (S1701), the designation for Reserved 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 reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$14,243,639.96.

General Fund Expenditures	
Fiscal Year Ended June 30, 2022	\$149,312,372.85
Add:	
Transfer from General Fund to SRF for PreK	100,000.00
	149,412,372.85
Less:	
On-behalf TPAF Pension and Social Security Reimb. and assets acquired under leases	32,006,359.38
	117,406,013.47
Adjusted General Fund Expenditures	117,406,013.47
Excess Surplus Percentage	4.00%
4% of Adjusted 2021-22 General Fund Expenditures	4,696,240.54
Add: Allowable Adjustments	108,561.00
Maximum Unreserved/Undesignated Fund Balance	4,804,801.54
Actual Unassigned/Undesignated Fund Balance	19,048,441.50
Excess Surplus	\$14,243,639.96

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 18: DEFICIT FUND BALANCES / NET POSITION**

The District has a deficit fund balance of \$249,092.40 in the Special Revenue Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, in the current budget year. The statute 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, expenditures, 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 state aid payment in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the fund balance deficits in the General and Special Revenue Funds do not alone indicate that the District is facing financial difficulties. Pursuant to P.L. 2003, c.97, any negative unreserved, undesignated general fund balance that is reported as a direct result from the delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action.

**NOTE 19: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the City of Linden Board of Education 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. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g) 7, the balance in the account cannot at any time exceed the local costs of uncompleted capital projects in its approved LRFP.

**City of Linden School District**  
**Notes to the Financial Statements**  
June 30, 2022

**NOTE 19: CAPITAL RESERVE ACCOUNT (CONTINUED)**

The activity of the capital reserve for the year ending June 30, 2022 is as follows:

Balance, June 30, 2021		\$31,451,668.67
Interest Earnings	\$30,945.32	
Deposits:		
Board Resolution dated 6/23/22	5,000,000.00	
Unexpended Capital Reserve Funds	<u>9,000,000.00</u>	
		<u>14,030,945.32</u>
		45,482,613.99
Withdrawals:		
2021-22 Budget		<u>9,000,000.00</u>
Balance, June 30, 2022		<u><u>\$36,482,613.99</u></u>

**NOTE 20: EMERGENCY RESERVE ACCOUNT**

An emergency reserve account was established by the City of Linden Board of Education in the amount of \$1,000,000.00 in the 2007-2008 school year for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account was created to fund medical expenses in excess of 4%. The emergency reserve account is used to fund unanticipated general fund current expense costs and may be established to supplement the reserve in the district's annual budget or through a transfer by board resolution at year end of any unanticipated revenue and unexpended line item appropriation amounts in accordance with N.J.S.A. 18A:7F-41.

The activity of the emergency reserve for the year ending June 30, 2022 is as follows:

Balance, June 30, 2021		\$947,785.74
Interest Earnings	<u>1,897.31</u>	
Balance, June 30, 2022		<u><u>\$949,683.05</u></u>

**City of Linden School District**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 21: SUBSEQUENT EVENTS**

The District has evaluated material subsequent events occurring after the financial statement date through February 21, 2023 which the date the financial statements were available to be issued. The District has determined that no subsequent events needed to be disclosed.

**REQUIRED SUPPLEMENTARY INFORMATION – Part II**

**BUDGETARY COMPARISON SCHEDULES**

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$94,215,916.00		\$94,215,916.00	\$94,215,916.00	\$1,979.14
Tuition from Individuals	53,000.00		53,000.00	54,979.14	30,729.95
Tuition from Other LEAs Within State				30,729.95	312,885.31
Unrestricted Miscellaneous Revenues	300,000.00		300,000.00	612,885.31	(102.69)
Interest Earned on Current Expense Emergency Res	2,000.00		2,000.00	1,897.31	945.32
Interest Earned on Capital Reserve Funds	30,000.00		30,000.00	30,945.32	587.48
Other Restricted Miscellaneous Revenues				587.48	
<b>Total Local Sources</b>	<b>94,600,916.00</b>		<b>94,600,916.00</b>	<b>94,947,940.51</b>	<b>347,024.51</b>
State Sources:					
Categorical Transportation Aid	1,068,441.00		1,068,441.00	1,068,441.00	60,711.00
Extraordinary Aid	700,000.00		700,000.00	760,711.00	
Categorical Special Education Aid	5,173,982.00		5,173,982.00	5,173,982.00	
Equalization Aid	32,049,440.00		32,049,440.00	32,049,440.00	
Categorical Security Aid	2,026,603.00		2,026,603.00	2,026,603.00	47,850.00
Other State Aids				47,850.00	240,133.00
State reimbursement Securing Our Childrens Future Bond Act				240,133.00	20,057,034.00
On-behalf TPAF Contributions-non-budgeted				20,057,034.00	282,977.00
On-behalf TPAF N.C.G.I.-non-budgeted				282,977.00	3,933,069.94
Reimbursed TPAF Social Security Contribution-non-budgeted				3,933,069.94	4,752,249.00
Post Retirement Medical-non budgeted				4,752,249.00	7,605.00
Long Term Disability Insurance				7,605.00	
<b>Total State Sources</b>	<b>41,018,466.00</b>		<b>41,018,466.00</b>	<b>70,400,094.94</b>	<b>29,381,628.94</b>
Federal Sources:					
Medicaid Reimbursement	176,801.00		176,801.00	267,290.86	90,489.86
Other Federal Grant Revenue				133,441.75	133,441.75
<b>Total Federal Sources</b>	<b>176,801.00</b>		<b>176,801.00</b>	<b>400,732.61</b>	<b>223,931.61</b>
<b>Total Revenues</b>	<b>\$135,796,183.00</b>		<b>\$135,796,183.00</b>	<b>\$165,748,768.06</b>	<b>\$29,952,585.06</b>
<b>EXPENDITURES:</b>					
CURRENT EXPENSE:					
Instruction - Regular Programs:					
Kindergarten	\$1,927,741.00	\$14,600.00	\$1,942,341.00	\$1,664,684.83	\$277,656.17
Grades 1-5	13,744,193.00	(19,874.00)	13,724,319.00	11,869,567.95	1,854,751.05
Grades 6-8	8,333,694.00	(137,731.47)	8,195,962.53	7,287,562.32	908,380.21
Grades 9-12	9,573,006.00	(\$111,413.00)	9,461,593.00	8,898,624.67	562,968.33
Regular programs - home instruction:					
Salaries of teachers	144,624.00		144,624.00	106,667.01	37,956.99
Purchased professional educational services	\$49,158.00		\$49,158.00	\$31,530.71	\$17,627.29

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>Regular programs - undistributed instruction:</b>					
Other salaries for instruction	\$1,663,220.00	\$77,041.00	\$1,760,261.00	\$1,431,996.22	\$328,264.78
Purchased professional - educational services	50,000.00	(13,000.00)	37,000.00	10,950.00	26,050.00
Purchased technical services	95,000.00		95,000.00		95,000.00
Other purchased services (400 - 500 series)	2,323,187.72	(18,960.00)	2,304,227.72	1,635,793.84	668,433.88
General supplies	1,615,760.87	913,111.30	2,528,872.17	1,366,592.21	1,162,279.96
Textbooks	126,190.38	27,300.00	153,490.38	36,148.65	117,341.73
Other objects	39,100.00	(12,211.00)	26,889.00	14,233.91	12,655.09
Total regular programs	39,704,874.97	718,862.83	40,423,737.80	34,354,372.32	6,069,365.48
<b>Instruction - Special Education:</b>					
Learning and/or Language Disabilities:					
Salaries of Teachers	988,471.00	(751.00)	987,720.00	931,270.30	56,449.70
Other salaries for instruction	278,643.00	(22,284.00)	256,359.00	168,156.34	88,202.66
General Supplies	5,000.00		5,000.00		5,000.00
Total Learning and/or Language Disabilities	1,272,114.00	(23,035.00)	1,249,079.00	1,099,426.64	149,652.36
<b>Behavioral Disabilities:</b>					
Salaries of Teachers	339,568.00		339,568.00	330,530.72	9,037.28
Other Salaries for Instruction	146,770.00	(20,330.30)	126,439.70	89,252.75	37,186.95
General Supplies	12,615.24	20,000.00	32,615.24	9,420.29	23,194.95
Other Objects	1,500.00		1,500.00		1,500.00
Total Behavioral Disabilities	500,453.24	(330.30)	500,122.94	429,203.76	70,919.18
<b>Multiple Disabilities:</b>					
Salaries for Teachers	344,446.00		344,446.00	278,139.30	66,306.70
Other Salaries for Instruction	289,381.00	300.00	289,681.00	256,301.29	33,379.71
General Supplies	1,800.00	6,000.00	7,800.00	336.37	7,463.63
Total Multiple Disabilities	635,627.00	6,300.00	641,927.00	534,776.96	107,150.04
<b>Resource Room / Resource Center:</b>					
Salaries of Teachers	5,300,252.00	1,075.00	5,301,327.00	4,758,893.50	542,433.50
Other salaries for instruction	1,150,950.00	2,760.00	1,153,700.00	968,982.68	184,717.32
General Supplies	5,000.00	12,000.00	17,000.00	3,426.50	13,573.50
Total Resource Room / Resource Center	6,456,202.00	15,825.00	6,472,027.00	5,731,302.68	740,724.32
<b>Autism:</b>					
Salaries of Teachers	500,583.00	(25,564.50)	475,018.50	454,956.43	20,062.07
Other Salaries for Instruction	303,327.00	30,339.50	333,666.50	324,108.15	9,558.35
General Supplies	2,000.00	1,800.00	3,800.00	1,431.20	2,368.80
Total Autism	\$805,910.00	\$6,575.00	\$812,485.00	\$780,495.78	\$31,989.22

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Preschool Disabilities - Full - Time:					
Salaries of Teachers	\$469,015.00	(\$25,713.00)	\$443,302.00	\$356,774.28	\$86,527.72
Other Salaries for Instruction	221,044.00	25,713.00	246,757.00	234,715.67	12,041.33
Supplies and Materials	1,000.00		1,000.00		1,000.00
Total Preschool Disabilities - Full - Time	691,059.00		691,059.00	591,489.95	99,569.05
Home Instruction:					
Purchased Professional/Educational Services	41,122.00		41,122.00	14,397.94	26,724.06
Total Home Instruction	41,122.00		41,122.00	14,397.94	26,724.06
Total Special Education	10,402,487.24	5,334.70	10,407,821.94	9,181,093.71	1,226,728.23
Basic Skills / Remedial:					
General Supplies	2,500.00		2,500.00	1,500.00	1,000.00
Total Basic Skills / Remedial	2,500.00		2,500.00	1,500.00	1,000.00
Bilingual Education Instruction:					
Salaries of Teachers	1,820,848.00	(13,175.00)	1,807,673.00	1,602,858.40	204,814.60
Other Salaries for Instruction	251,827.00	13,175.00	265,002.00	207,646.40	57,355.60
Total Bilingual Education Instruction	2,072,675.00		2,072,675.00	1,810,504.80	262,170.20
Vocational Programs Local Instruction:					
Salaries of Teachers	1,091,348.00		1,091,348.00	814,284.57	277,063.43
General Supplies	60,616.58	(1,000.00)	59,616.58	36,850.75	22,765.83
Textbooks	7,188.00		7,188.00	7,097.60	90.40
Other Objects	7,000.00	(5,200.00)	1,800.00	272.00	1,528.00
Total Vocational Programs Local Instruction	1,166,152.58	(6,200.00)	1,159,952.58	858,504.92	301,447.66
School Sponsored Co-Curricular Activities:					
Salaries	261,530.00		261,530.00	106,791.56	154,738.44
Purchased Services (300-500 series)	14,350.00	21,193.00	35,543.00	26,607.41	8,935.59
Supplies and Materials	66,000.00	(21,193.00)	44,807.00	11,692.10	33,114.90
Other Objects	400.00		400.00		400.00
Total School Sponsored Co-Curricular Activities	342,280.00		342,280.00	145,091.07	197,188.93
School Sponsored Athletics:					
Salaries	725,000.00		725,000.00	684,789.58	40,210.42
Purchased Services (300-500 Series)	93,050.00	(26,050.00)	67,000.00	51,483.53	15,516.47
Supplies and Materials	286,843.32	51,479.00	338,322.32	261,572.45	76,749.87
Other Objects	62,175.00	(14,379.00)	47,796.00	45,303.35	2,492.65
Transfers to Cover Deficit (Agency Funds)	31,000.00	6,000.00	37,000.00	37,000.00	
Total School Sponsored Athletics	1,198,068.32	17,050.00	1,215,118.32	1,080,148.91	134,969.41
Summer School Instruction:					
Salaries	900,000.00	(8,900.00)	891,100.00	128,697.53	762,402.47
Other Salaries of Instruction	100,000.00		100,000.00	39,314.75	60,685.25
General Supplies	1,000.00		1,000.00	116.02	883.98
Total Summer School Instruction	1,001,000.00	(8,900.00)	992,100.00	168,128.30	823,971.70
Total Summer School	\$1,001,000.00	(\$8,900.00)	\$992,100.00	\$168,128.30	\$823,971.70

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE/ FAVORABLE/ (UNFAVORABLE)
Instructional ALT ED Prog Instruction:					
Other Purchased Services (400-500 series)	\$1,600.00		\$1,600.00	\$9.50	\$1,590.50
General Supplies	35,843.57		35,843.57	18,787.33	17,056.24
Other Objects	500.00		500.00		500.00
Total Instructional ALT ED Prog Instruction	37,943.57		37,943.57	18,796.83	19,146.74
Instructional ALT ED Prog Support:					
Purchased Services (400-500 series)	900.00		900.00		900.00
Total Instructional ALT ED Prog Support	900.00		900.00		900.00
Total Instructional ALT ED Program	38,843.57		38,843.57	18,796.83	20,046.74
Total Other Instructional Programs	5,821,519.47	\$1,950.00	5,823,469.47	4,082,674.83	1,740,794.64
Total - Instruction	55,928,881.68	726,147.53	56,655,029.21	47,618,140.86	9,036,888.35
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's within the State - Special	3,200,000.00	(636,767.00)	2,563,233.00	2,202,971.32	360,261.68
Tuition to County Vocational School District - Regular	838,500.00		838,500.00	686,400.00	152,100.00
Tuition to County Vocational School District - Sp Ed	156,500.00		156,500.00	90,500.00	66,000.00
Tuition to Private Schools for the Handicapped with State	6,071,399.16	(360,500.00)	5,710,899.16	4,679,955.47	1,030,943.69
Tuition to Private School Disabled & Other LEAs - Spl. O/S St	325,000.00	(100,000.00)	225,000.00		225,000.00
Tuition - State Facilities	146,888.00	(700.00)	146,188.00		146,188.00
Tuition - Other	582,892.00		582,892.00	312,449.60	270,442.40
Total Undistributed Expenditures - Instruction	11,321,179.16	(1,097,967.00)	10,223,212.16	7,972,276.39	2,250,935.77
Attendance and Social Work Services:					
Salaries	219,054.00	18,500.00	237,554.00	231,665.76	5,888.24
Other Purchased Services (400-500 series)	9,000.00	(5,000.00)	4,000.00	2,998.62	1,000.38
Supplies and Materials	4,000.00		4,000.00	845.95	3,154.05
Total Attendance and Social Work Services	232,054.00	13,500.00	245,554.00	235,511.33	10,042.67
Health Services:					
Salaries	1,553,622.00	46,000.00	1,599,622.00	1,539,637.22	59,984.78
Purchased Professional and Technical Services	52,000.00		52,000.00	14,853.89	37,146.11
Other Purchased Services	19,800.00	25.50	19,825.50	8,901.40	10,924.10
Supplies and Materials	26,850.00	(12,003.00)	14,847.00	10,717.28	4,129.72
Other Objects	5,000.00	(1,501.50)	3,498.50	1,542.00	1,956.50
Total Health Services	1,657,272.00	32,521.00	1,689,793.00	1,575,651.79	114,141.21
Other Support Services - Speech, OT, PT & Related Services:					
Salaries	1,070,561.00		1,070,561.00	1,038,228.85	32,332.15
Purchased Professional - Educational Services	750,364.43	(95,834.00)	654,530.43	548,163.16	106,367.27
Supplies and Materials	5,000.00	7,000.00	12,000.00	1,514.41	10,485.59
Total Other Support Services - Speech, OT, PT & Related Services	\$1,825,925.43	(\$88,834.00)	\$1,737,091.43	\$1,587,906.42	\$149,185.01

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Guidance:					
Salaries of Other Professional Staff	\$1,005,252.00		\$1,005,252.00	\$834,539.44	\$170,712.56
Salaries of Secretarial and Clerical Assistants	217,225.00		217,225.00	194,043.32	23,181.68
Unused Vacation Payment to Terminated/Retired Staff		\$224.00	224.00	223.63	0.37
Other Purchased Services	31,969.00	(700.00)	31,269.00	10,715.74	20,553.26
Supplies and Materials	40,200.00		40,200.00	13,026.96	27,173.04
Total Guidance	1,294,646.00	(476.00)	1,294,170.00	1,052,549.09	241,620.91
Child Study Teams:					
Salaries of Other Professional Staff	2,543,784.00	10,867.00	2,554,651.00	2,412,389.56	142,261.44
Salaries of Secretarial and Clerical Assistants	531,645.00	3,955.00	535,600.00	522,040.72	13,559.28
Unused Vacation Payment to Terminated/Retired Staff	15,000.00	(700.00)	14,300.00	14,300.00	
Purchased Professional Educational Services	160,000.00	(1,239.00)	158,761.00	86,691.44	72,069.56
Other Purchased Services (400-500 series)	521,485.65	50,575.00	572,060.65	310,579.43	261,481.22
Supplies and Materials	105,111.92	4,232.00	109,343.92	103,264.17	6,079.75
Other Objects	9,000.00	(4,232.00)	4,768.00	3,742.00	1,026.00
Total Child Study Teams	3,886,026.57	63,458.00	3,949,484.57	3,438,707.32	510,777.25
Improvement of Instruction Services					
Other Support Services - Instructional Staff:					
Salaries of Supervisors of Instruction	1,363,819.00	(3,741.00)	1,360,078.00	1,241,196.68	118,881.32
Salaries of Other Professional Staff	186,737.00		186,737.00	184,885.92	1,851.08
Salaries of Secretarial and Clerical Assts.	355,980.00	4,441.00	360,421.00	351,532.22	8,888.78
Unused Vacation Payment to Terminated/Retired Staff	10,000.00		10,000.00	10,000.00	
Sal of Facilitators, Math & Literacy Coaches	748,296.00	(6,403.00)	741,893.00	304,990.80	436,902.20
Purchased Prof. and Tech. Services	3,450.00		3,450.00	176,394.85	3,450.00
Other Purchased Services (400-500)	231,961.77	(1,035.00)	230,926.77	38,342.77	54,531.92
Supplies and materials	73,430.04	(1,200.00)	72,230.04	38,342.77	33,887.27
Other Objects	11,150.00		11,150.00	4,812.00	6,338.00
Total Improvement of Instruction Services / Other Support Services - Instructional Staff	2,984,823.81	(7,938.00)	2,976,885.81	2,302,155.24	674,730.57
Educational Media Services / School Library:					
Salaries	608,319.00		608,319.00	165,682.10	442,636.90
Other Purchased Services (400-500 Series)	1,000.00		1,000.00	239.00	761.00
Supplies and materials	43,146.10	(1,000.00)	42,146.10	35,068.08	7,078.02
Other Objects		700.00	700.00	700.00	
Total Educational Media Services / School Library	\$652,465.10	(\$300.00)	\$652,165.10	\$200,989.18	\$451,175.92

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>Instructional Staff Training Services:</b>					
Salaries of Other Professional Staff	\$357,659.00		\$357,659.00	\$26,276.52	\$331,382.48
Other Salaries	1,100.00		1,100.00		1,100.00
Other Purchased Professional - Educational Services	137,625.00	\$1,625.00	139,250.00	31,950.00	107,300.00
Other Purchased Services (400- 500)	90,775.00	5,802.00	96,577.00	28,130.20	68,446.80
Supplies and materials	13,500.00		13,500.00	3,685.06	9,914.94
Other Objects	2,350.00		2,350.00	754.00	1,596.00
<b>Total Instructional Staff Training Services</b>	<b>603,009.00</b>	<b>7,427.00</b>	<b>610,436.00</b>	<b>90,695.78</b>	<b>519,740.22</b>
<b>Support Services General Administration:</b>					
Salaries	631,495.00	4,500.00	635,995.00	390,509.61	245,485.39
Legal Services	300,000.00	(700.00)	299,300.00	282,010.19	17,289.81
Expenditure and Internal Control Audit Fees	50,000.00		50,000.00	47,900.00	2,100.00
Architectural/Engineering Services	110,000.00		110,000.00	96,361.00	13,639.00
Other Purchased Professional Services	35,000.00		35,000.00	5,977.00	29,023.00
Other Purchased Technical Services	10,000.00		10,000.00		10,000.00
Communications / Telephone	600,000.00	(55,324.00)	544,676.00	249,931.27	294,744.73
Board Travel Expense	10,000.00		10,000.00	7,679.00	2,321.00
Miscellaneous Expenditures	90,700.00	71,500.00	162,200.00	154,359.95	7,840.05
General Supplies	45,000.00	(29,500.00)	15,500.00	12,849.31	2,650.69
BOE In- House Training/ Meeting Supplies	7,000.00		7,000.00	3,105.00	3,895.00
Judgements against the District	100,000.00	20,000.00	120,000.00	120,000.00	
Miscellaneous Expenditures	51,750.00	(827.70)	50,922.30	20,016.39	30,905.91
BOE Membership Dues and Fees	30,000.00	827.70	30,827.70	30,827.70	
<b>Total Support Services General Administration</b>	<b>2,070,945.00</b>	<b>10,476.00</b>	<b>2,081,421.00</b>	<b>1,421,526.42</b>	<b>659,894.58</b>
<b>Support Services School Administration:</b>					
Salaries of Principals / Asst. Principals	3,639,876.00	138,651.47	3,778,527.47	3,704,475.27	74,052.20
Salaries of Secretarial and Clerical Assistants	1,313,909.00	265.45	1,314,174.45	1,233,545.61	80,628.84
Unused Vacation Payment to Terminated/Retired Staff	20,000.00		20,000.00	16,634.00	3,366.00
Purchased Professional and Technical Services	10,000.00		10,000.00		10,000.00
Other Purchased Services(400-500 series)	49,610.00	4,212.55	53,822.55	29,016.30	24,806.25
Supplies and Materials	106,041.95	371.00	106,412.95	63,322.18	43,090.77
Other Objects	16,162.27	(1,468.00)	14,694.27	5,404.50	9,289.77
<b>Total Support Services School Administration</b>	<b>\$5,155,599.22</b>	<b>\$142,032.47</b>	<b>\$5,297,631.69</b>	<b>\$5,052,397.86</b>	<b>\$245,233.83</b>

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central Service:					
Salaries	\$1,141,742.00		\$1,141,742.00	\$1,108,324.25	\$33,417.75
Unused Vacation Payment to Terminated/Retired Staff	10,000.00		10,000.00	10,000.00	10,000.00
Purchased Professional Services	20,000.00		20,000.00	13,227.00	6,773.00
Misc. Purch Services (400-500)	105,000.00	\$21,000.00	126,000.00	87,712.83	38,287.17
Supplies and Materials	40,297.50		40,297.50	19,705.05	20,592.45
Interest on Lease Purchase Agreements	100,000.00	(21,000.00)	79,000.00	36,500.00	42,500.00
Miscellaneous Expenditures	15,000.00		15,000.00	7,406.67	7,593.33
Total Central Service	1,432,039.50		1,432,039.50	1,272,875.80	159,163.70
Administrative Information Technology:					
Salaries	1,124,423.00		1,124,423.00	1,019,004.12	105,418.88
Purchased Technical Services	7,500.00		7,500.00	5,156.00	2,342.00
Other Purchased Services	283,905.11		283,905.11	279,010.14	4,894.97
Supplies and Materials	114,247.96		114,247.96	106,295.47	7,952.49
Total Administrative Information Technology	1,530,076.07		1,530,076.07	1,409,467.73	120,608.34
Required Maintenance for School Facilities:					
Salaries	236,287.00	42,150.00	278,437.00	261,572.33	16,864.67
Cleaning, Repair and Maintenance Services	1,310,867.75	(21,330.00)	1,289,537.75	1,148,242.24	141,295.51
General Supplies	443,994.24	233,947.00	677,941.24	160,771.14	517,170.10
Other Objects	10,000.00	10,900.00	20,900.00	20,891.43	8.57
Total Required Maintenance for School Facilities	\$2,001,148.99	\$265,667.00	\$2,266,815.99	\$1,591,477.14	\$675,338.85

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>Custodial Services:</b>					
Salaries	\$4,743,753.00	\$141,310.00	\$4,885,063.00	\$4,557,004.66	\$328,058.34
Unused Vacation Payment to Terminated/Retired Staff	5,000.00		5,000.00		5,000.00
Purchased Professional and Technical Services	175,000.00	(175,000.00)	245,466.00	182,821.56	62,644.44
Cleaning, Repair and Maintenance Services	115,750.00	129,716.00	580,600.00	579,669.85	930.15
Rental of Land and Building	660,600.00	(80,000.00)	225,150.00	217,875.48	7,274.52
Other Purchased Property Services	190,000.00	35,150.00	732,539.20	732,539.20	0.80
Insurance	715,000.00	17,540.00	494,997.77	196,288.14	298,709.63
Miscellaneous Purchased Services	526,007.77	(31,010.00)	323,474.41	178,032.03	145,442.38
General Supplies	322,274.41	1,200.00	740,000.00	590,662.74	149,337.26
Energy (Natural Gas)	740,000.00		900,645.00	798,942.21	101,702.79
Energy (Heat and Electricity)	925,000.00	(24,355.00)	22,973.94	8,262.19	14,711.75
Energy (Gasoline)	25,103.94	(2,130.00)	10,000.00		10,000.00
Other Objects	10,000.00				
<b>Total Custodial Services</b>	<b>9,153,489.12</b>	<b>12,421.00</b>	<b>9,165,910.12</b>	<b>8,042,098.06</b>	<b>1,123,812.06</b>
<b>Care and Upkeep of Grounds:</b>					
Salaries	218,441.00		218,441.00	212,077.92	6,363.08
General Supplies	6,000.00		6,000.00	2,046.15	3,953.85
<b>Total Care and Upkeep of Grounds</b>	<b>224,441.00</b>		<b>224,441.00</b>	<b>214,124.07</b>	<b>10,316.93</b>
<b>Security:</b>					
Salaries	899,712.00	36,707.00	936,419.00	929,131.95	7,287.05
Purchased Professional and Technical Services	561,965.00	(\$36,707.00)	525,258.00	100,255.00	425,003.00
<b>Total Security</b>	<b>\$1,461,677.00</b>		<b>\$1,461,677.00</b>	<b>\$1,029,386.95</b>	<b>\$432,290.05</b>

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>Student Transportation Services:</b>					
Home and School) - Regular	\$137,817.00		\$137,817.00	\$123,816.34	\$14,000.66
Management Fee- ESC & CTSA Trans. Program	160,000.00	\$549.00	160,549.00	160,548.02	0.98
Contracted Services - Aid in Lieu Payments-NonPub Sch	342,483.85		342,483.85	265,310.55	77,173.30
Contracted Services (Aetween Home & School) - Vendors	1,405,000.00		1,405,000.00	1,259,938.30	145,061.70
and School) - Vendors	529,178.21	(55,727.00)	473,451.21	418,295.65	55,155.56
Contr Serv(Aet. Home & Sch)-Joint Agrmnts	24,800.00	(22,400.00)	2,400.00		2,400.00
Contract Services (Sp. Ed. Stds.) - Vendors	1,280,100.00		1,280,100.00	1,009,007.86	271,092.14
Contracted Services (Spec. Ed. Students) - Joint Agreements	2,949,300.00	1,490,233.00	4,439,533.00	4,439,532.67	0.33
Miscellaneous Purchased Services - Transportation	20,000.00		20,000.00	5,400.00	14,600.00
General Supplies	500.00		500.00		500.00
Other Objects	500.00		500.00		500.00
<b>Total Student Transportation Services</b>	<b>6,849,679.06</b>	<b>1,412,655.00</b>	<b>8,262,334.06</b>	<b>7,681,849.39</b>	<b>580,484.67</b>
<b>Unallocated Benefits - Employee Benefits:</b>					
Unused vacation pay to Terminated/Retired Staff	150,335.00	1,941.00	152,276.00	66,495.02	85,780.98
Unused vacation pay to Terminated/Retired Staff	20,000.00		20,000.00	2,251.95	17,748.05
Unused vacation Pay to Terminated/Retired Staff		10,100.00	10,100.00	10,078.00	22.00
Unused vacation Pay to Terminated/Retired Staff	15,000.00		15,000.00	13,091.00	1,909.00
Unused vacation Pay to Terminated/Retired Staff	15,000.00		15,000.00		15,000.00
Unused vacation Pay to Terminated/Retired Staff	20,000.00	50.00	20,050.00	20,034.00	16.00
Unused vacation Pay to Terminated/Retired Staff	10,000.00		10,000.00	252.00	9,748.00
Other Employee Benefits	5,000.00		5,000.00		5,000.00
Unused vacation Pay to Terminated/Retired Staff	10,000.00		10,000.00		10,000.00
Unused vacation Pay to Terminated/Retired Staff	15,000.00		15,000.00	420.00	14,580.00
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>260,335.00</b>	<b>12,091.00</b>	<b>272,426.00</b>	<b>112,621.97</b>	<b>159,804.03</b>
<b>Unallocated Benefits - Employee Benefits:</b>					
Group Insurance	25,000.00		25,000.00	1,704.03	23,295.97
Social Security Contributions	1,656,307.41	200,000.00	1,856,307.41	1,535,589.38	320,718.03
T.P.A.F. Contributions - ERIP	5,000.00	3,062.00	8,062.00	7,230.90	831.10
Other Retirement Contributions - PERS	2,049,060.00	10,476.00	2,059,536.00	2,059,536.00	
Other Retirement Contributions - Regular	75,000.00		75,000.00	60,774.00	14,226.00
Unemployment Compensation	100,000.00	(10,538.00)	89,462.00		89,462.00
Workmen's Compensation	750,000.00		750,000.00	653,382.41	96,617.59
Health Benefits	18,557,024.00	(1,782,248.00)	16,774,776.00	15,287,084.82	1,487,691.18
Tuition Reimbursements	75,000.00	6,204.00	81,204.00	81,203.07	0.93
Other Employee Benefits	130,000.00	70,214.00	200,214.00	180,871.44	19,342.56
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>\$23,422,391.41</b>	<b>(\$1,502,830.00)</b>	<b>\$21,919,561.41</b>	<b>\$19,867,376.05</b>	<b>\$2,052,185.36</b>

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF Contributions-non-budgeted				\$20,057,034.00	(\$20,057,034.00)
On-behalf TPAF N.C.G.I.-non-budgeted				282,977.00	(282,977.00)
Post Retirement Medical-non budgeted				4,752,249.00	(4,752,249.00)
Reimbursed TPAF Social Security Contribution-non-budgeted				3,933,069.94	(3,933,069.94)
Long Term Disability Insurance				7,605.00	(7,605.00)
Total TPAF Pension/Social Security				29,032,934.94	(29,032,934.94)
Total Undistributed Expenditures	\$78,019,222.44	(\$726,096.53)	\$77,293,125.91	95,184,578.92	(17,891,453.01)
Interest Earned on Current Expense Emergency Res	2,000.00		2,000.00		2,000.00
Total General Current Expense	2,000.00		2,000.00		2,000.00
TOTAL EXPENDITURES - CURRENT EXPENSE	\$133,950,104.12	\$51.00	\$133,950,155.12	\$142,802,719.78	(\$8,852,564.66)
CAPITAL OUTLAY:					
Equipment:					
Grades 1-5	168,265.40	45,000.00	213,265.40	119,170.38	94,095.02
Grades 6-8	112,000.00		112,000.00	34,200.00	77,800.00
Grades 9-12 - Equipment	110,737.35	(45,000.00)	65,737.35	51,772.14	13,965.21
At-Risk Programs	2,576.00		2,576.00	2,576.00	
School Sponsored and Other Instructional Program	52,463.55		52,463.55	28,046.01	24,417.54
Undist.Expend.-Support Serv. - Inst. Staff	4,000.00		4,000.00	3,247.99	752.01
Undistributed-Admin. Info Technology	650,910.70		650,910.70	301,751.01	349,159.69
Undistributed-Req. Maint. For Schools	110,457.99	(1.00)	110,456.99	40,278.99	70,178.00
Undistributed-Custodial Services	25,000.00		25,000.00	19,570.00	5,430.00
Total Equipment	1,236,410.99	(1.00)	1,236,409.99	600,612.52	635,797.47
Facilities Acquisition and Construction Services:					
Legal Services	100,000.00		100,000.00		100,000.00
Architectural/engineering services	746,775.00		746,775.00	87,848.44	658,926.56
Other purch prof & tech services	460,000.00		460,000.00	18,926.39	441,073.61
Construction services	3,850,690.00	867,751.00	4,718,441.00	1,938,367.60	2,780,073.40
Supplies & Materials	1,068,007.00	(867,801.00)	200,206.00		200,206.00
Lease purchase agreements - principal	500,000.00		500,000.00	424,201.68	75,798.32
Assessment for Debt Service on SDA Funding	47,663.00		47,663.00	47,663.00	
Total Facilities Acquisition and Construction Services	6,773,135.00	(50.00)	6,773,085.00	2,517,007.11	4,256,077.89
Capital Reserve - Transfer to Capital Projects	9,000,000.00		9,000,000.00		9,000,000.00
Interest Deposit to Capital Reserve	30,000.00		30,000.00		30,000.00
Assets acquired under leases (non-budgeted)					
Undistributed expenditures:					
Facilities/Buildings				2,973,424.44	(2,973,424.44)
Total assets acquired under leases (non-budgeted)				2,973,424.44	(2,973,424.44)
TOTAL CAPITAL OUTLAY	17,039,545.99	(\$51.00)	17,039,494.99	6,091,044.07	10,948,450.92

LINDEN BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Transfer of funds to charter schools	\$485,656.00		\$485,656.00	\$418,609.00	\$67,047.00
<b>TOTAL EXPENDITURES</b>	<b>151,475,306.11</b>		<b>151,475,306.11</b>	<b>149,312,372.85</b>	<b>2,162,933.26</b>
Excess (deficiency) of revenues over (under) expenditures	(15,679,123.11)		(15,679,123.11)	16,436,395.21	32,115,518.32
Other financing sources (uses) Transfers to grants and entitlements - Local Contribution Proceeds from Leases (non-budgeted) Total other financing sources	(100,000.00)		(100,000.00)	(100,000.00)	
	(100,000.00)		(100,000.00)	2,973,424.44	(2,973,424.44)
				2,873,424.44	(2,973,424.44)
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	(15,779,123.11)		(15,779,123.11)	19,309,819.65	29,142,093.88
Fund balances, July 1	47,905,902.39		47,905,902.39	47,905,902.39	
Fund balances, June 30	\$32,126,779.28		\$32,126,779.28	\$67,215,722.04	\$29,142,093.88
Recapitulation:					
Assigned - year-end encumbrances				\$6,418,164.17	
Restricted - excess surplus - current year				14,243,639.96	
Restricted - excess surplus - designated for subsequent year's expenditures				3,500,000.00	
Restricted - capital reserve				36,482,613.99	
Restricted - emergency reserve				949,683.05	
Restricted - unemployment				217,018.56	
Unassigned fund balance				4,804,801.54	
Assigned - designated for subsequent years expenditures				581,674.00	
Assigned fund balance FFCRA/SEMI unreserved desig. sub. year				18,126.77	
				\$67,215,722.04	
Reconciliation to governmental funds statements (GAAP):				(4,018,816.60)	
Prior Year aid payment not recognized on GAAP basis					
Fund balance per governmental funds (GAAP)				\$63,196,905.44	

LINDEN BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
<b>REVENUES:</b>					
Federal sources	\$4,130,913.00	\$13,480,360.47	\$17,611,273.47	\$6,499,848.47	(\$11,111,425.00)
State sources	3,189,191.00	31,411.00	3,220,602.00	2,783,898.09	(436,703.91)
Local sources	300,000.00	1,642,927.72	1,942,927.72	430,826.73	(1,512,100.99)
Total revenues	\$7,620,104.00	\$15,154,699.19	\$22,774,803.19	\$9,714,573.29	(\$13,060,229.90)
<b>EXPENDITURES:</b>					
Instruction:					
Salaries	\$912,845.00	\$2,014,627.69	\$2,927,472.69	\$1,690,866.78	\$1,236,605.91
Salaries of teachers	1,755,524.00	173,004.07	1,928,528.07	1,826,517.24	102,010.83
Other salaries	786,676.00	(17,928.00)	768,748.00	718,367.95	50,380.05
Purchased professional & technical services		151,690.22	151,690.22	80,561.70	71,128.52
Purchased professional & Educational services	78,624.00	(3,053.00)	75,571.00	60,658.38	14,912.62
Other Purchased Services (400-500 series)		48,492.65	48,492.65	14,110.99	34,381.66
General supplies	565,619.00	783,404.04	1,349,023.04	486,718.84	862,304.20
Textbooks	5,089.00	(948.00)	4,141.00		4,141.00
Other objects		40,726.05	40,726.05	7,296.99	33,429.06
Total instruction	4,104,377.00	3,190,015.72	7,294,392.72	4,885,098.87	2,409,293.85
Support services:					
Salaries	437,698.00	1,291,269.69	1,728,967.69	558,022.48	1,170,945.21
Other Salaries		175,614.00	175,614.00	16,986.44	158,627.56
Salaries of other professional staff	1,170,232.00	(88,598.00)	1,081,634.00	1,032,837.78	48,796.22
Salaries of secretarial and clerical assistants	52,133.00		52,133.00	50,788.40	1,344.60
Salaries of community parent involvement specialists	85,521.00		85,521.00	81,838.65	3,682.35
Salaries of master teachers	264,694.00		264,694.00	239,639.30	25,054.70
Personal services-employee benefits	552,723.00	1,423,064.55	1,975,787.55	1,270,109.88	705,677.67
Purchased professional technical services		1,031,366.15	1,031,366.15	410,856.00	620,510.15
Purchased professional educational services	36,997.00	3,910.00	40,907.00	28,500.00	12,407.00
Other purchased services	4,000.00	435,484.27	439,484.27	113,964.81	325,519.46
Travel	36,000.00	18,187.02	54,187.02	2,536.54	51,650.48
General supplies	975,729.00	(288,779.90)	686,949.10	650,885.54	36,063.56
Scholarships awarded		21,152.57	21,152.57	8,500.00	12,652.57
Student activities		372,485.10	372,485.10	184,798.38	187,686.72
Other objects		170.75	170.75	85.75	85.00
Total support services	\$3,615,727.00	\$4,395,326.20	\$8,011,053.20	\$4,650,349.95	\$3,360,703.25

LINDEN BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
<b>EXPENDITURES (CONTINUED):</b>					
Facilities acquisition and const. services:					
Instructional equipment	\$7,367,702.06	\$7,367,702.06	\$7,367,702.06	\$213,669.54	\$7,154,032.52
Non- Instructional equipment	201,655.21	201,655.21	201,655.21	52,912.21	148,743.00
Total facilities acquisition and const. services	7,569,357.27	7,569,357.27	7,569,357.27	266,581.75	7,302,775.52
Total expenditures	\$7,720,104.00	\$15,154,699.19	\$22,874,803.19	\$9,802,030.57	\$13,072,772.62
Other Financing Sources (Uses):					
Transfer from General Fund	100,000.00		100,000.00	100,000.00	
Total Other Financing Sources (Uses)	100,000.00		100,000.00	100,000.00	
Total expenditures and other financing sources (uses)	\$7,620,104.00	\$15,154,699.19	\$22,774,803.19	9,702,030.57	13,072,772.62
Excess (deficiency) of revenues over (under) expenditures	-0.00-	-0.00-	-0.00-	12,542.72	\$12,542.72
Fund Balance, July 1				188,820.70	
Fund Balance, June 30				\$201,363.42	

CITY OF LINDEN SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$165,748,768.06	\$9,714,573.29
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously it was recognized for budgetary purposes.	3,253,043.60	302,019.40
The last state aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(4,018,816.60)	(249,092.40)
Adjust for encumbrances:		
Add prior year encumbrances		2,027,573.53
Less current year encumbrances		(1,831,177.93)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$164,982,995.06</u>	<u>\$9,963,895.89</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$146,338,948.41	\$9,702,030.57
Difference - budget to GAAP:		
Adjust for encumbrances:		
Add prior year encumbrances		2,027,573.53
Less current year encumbrances		(1,831,177.93)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes		100,000.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$146,338,948.41</u>	<u>\$9,998,426.17</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)**

CITY OF LINDEN SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
				Proportionate Share of the Net Pension Liability (Asset) as a Percentage of it's Covered-Employee Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of the Total Pension Liability	
2013	0.1549619975%	\$ 29,616,317	\$ 10,934,475.00	270.85%		48.72%
2014	0.1625313491%	30,430,314	11,288,700.00	269.56%		52.08%
2015	0.1649037518%	37,017,588	11,403,646.00	324.61%		47.92%
2016	0.1725149900%	50,423,611	11,798,188.00	427.38%		40.14%
2017	0.1724600308%	40,145,939	11,852,412.00	338.72%		48.10%
2018	0.1703511900%	33,541,300	12,282,121.00	273.09%		53.60%
2019	0.1747375862%	31,485,062	12,195,925.00	258.16%		56.27%
2020	0.1729975553%	28,211,377	12,597,686.00	223.94%		58.32%
2021	0.1758609398%	20,833,365	12,887,372.00	161.66%		70.33%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

CITY OF LINDEN SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE YEARS

Fiscal Year Ending <u>June 30.</u>	Contractually Required <u>Contribution</u>	Contributions in Relation to the Contractually Required <u>Contributions</u>	Contribution Deficiency ( <u>Excess</u> )	District's Covered- Employee <u>Payroll</u>	Contributions as a Percentage of Covered- Employee <u>Payroll</u>
2014	\$ 1,339,885	\$ 1,339,885	\$ -0-	\$ 11,288,700.00	11.87%
2015	1,417,730	1,417,730	-0-	11,403,646.00	12.43%
2016	1,512,490	1,512,490	-0-	11,798,188.00	12.82%
2017	1,597,658	1,597,658	-0-	11,852,412.00	13.48%
2018	1,694,444	1,694,444	-0-	12,282,121.00	13.80%
2019	1,699,690	1,699,690	-0-	12,195,925.00	13.94%
2020	1,892,508	1,892,508	-0-	12,597,686.00	15.02%
2021	2,059,536	2,059,536	-0-	12,887,372.00	15.98%
2022	2,201,366	2,201,366	-0-	12,524,548.00	17.58%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

CITY OF LINDEN SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS PENSION AND ANNUITY FUND  
LAST NINE YEARS

Measurement Date June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability associated with the District	District's Covered-Employee Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2013	0.4322790107%	\$ -0-	\$ 218,470,412.00	43,349,587.00	-0-	503.97%	33.76%
2014	0.4307379590%	-0-	230,215,420.00	45,263,365.00	-0-	508.61%	33.64%
2015	0.4377531961%	-0-	276,678,713.00	46,423,697.00	-0-	595.99%	28.71%
2016	0.4523841353%	-0-	355,874,164.00	48,001,438.00	-0-	741.38%	22.33%
2017	0.4584711909%	-0-	309,117,809.00	49,065,631.00	-0-	630.01%	25.41%
2018	0.4640098190%	-0-	294,805,751.00	51,110,499.00	-0-	576.80%	26.49%
2019	0.4651479847%	-0-	285,465,709.00	52,677,466.00	-0-	541.91%	26.95%
2020	0.4751380433%	-0-	312,872,684.00	54,431,666.00	-0-	574.80%	24.60%
2021	0.4751380433%	-0-	312,872,684.00	54,427,427.00	-0-	574.84%	35.52%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

CITY OF LINDEN SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2021	7.00%	7.00%	07/01/14-06/30/18
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2021	7.00%	7.00%	07/01/15-06/30/18
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

**REQUIRED SUPPLEMENTARY INFORMATION - PART IV**

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (GASB 75)**

LINDEN CITY SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN THE DISTRICT'S  
 TOTAL OPEB LIABILITY AND RELATED RATIOS  
 LAST FIVE YEARS

	Measurement Date Ended June 30,				
	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District					
Balance at 6/30	\$285,144,550	\$171,324,830	\$185,591,907	\$214,074,107	\$229,828,961
Changes for the year:					
Service cost	15,733,297	8,534,857	8,141,372	9,076,887	10,957,991
Interest	6,656,565	6,211,574	7,399,667	7,903,798	6,794,851
Differences between expected and actual experience	(45,837,610)	51,800,847	(27,259,318)	(19,374,141)	
Changes in assumptions or other inputs	253,159	52,086,111	2,554,467	(21,297,600)	(28,731,866)
Membership Contributions	170,176	150,463	155,896	171,517	182,581
Benefit payments - Net	(5,243,509)	(4,964,132)	(5,259,161)	(4,962,661)	(4,958,411)
Net changes	(28,541,045)	113,819,720	(14,267,077)	(28,482,200)	(15,754,854)
Balance at 6/30	\$256,603,505	\$285,144,550	\$171,324,830	\$185,591,907	\$214,074,107
Covered Employee Payroll	67,314,799	67,029,352	64,873,391	63,392,620	60,918,043
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	381.20%	425.40%	264.09%	292.77%	351.41%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

LINDEN CITY SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Change in benefit terms:

The implementation of Chapter 44 Plan and contribution strategy affecting pre-Medicare future and current retirees and dependents who enroll in the New Jersey Educator Health Plan option upon retirement and were not grandfathered under Chapter 78 (fewer than 20 years of service as of July 1, 2011) is reflected for the Fiscal Year Ending June 30, 2022 as a Plan change.

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability in their respective accounting periods:

Measurement Date Ending	Discount Rate
June 30, 2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

CITY OF LINDEN SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	TITLE I	TITLE I SIA	TITLE II PART A	TITLE III	TITLE III IMMIGRANT	TITLE IV	Totals 2022
<b>REVENUES:</b>							
Federal Sources	\$4,722,529.29						\$6,499,848.47
State Sources	2,763,868.09	\$14,996.58	\$182,366.02	\$68,044.05	\$32,045.70	\$31,035.43	2,783,868.09
Local Sources	430,826.73						430,826.73
<b>Total Revenues</b>	<b>\$7,937,254.11</b>	<b>\$14,996.58</b>	<b>\$182,366.02</b>	<b>\$68,044.05</b>	<b>\$32,045.70</b>	<b>\$31,035.43</b>	<b>\$9,714,573.29</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries	\$833,624.14	\$783,141.89	\$25,137.50	\$36,281.00	\$968.75	\$744.00	\$1,690,866.78
Salaries of Teachers	1,753,766.42	72,750.82					1,826,517.24
Other Salaries for Instruction	718,367.95	19,638.70	340.00			14,988.00	718,367.95
Purchased Professional - Technical Services	45,995.00						80,561.70
Purchased Professional - Educational Services	60,658.38						60,658.38
Other Purchased Services (400-500 series)	14,110.99						14,110.99
General Supplies	381,949.94	58,764.99		1,147.55	31,002.84	13,853.52	486,718.84
Other Objects	7,296.99						7,296.99
<b>Total Instruction</b>	<b>3,815,369.81</b>	<b>934,296.40</b>	<b>25,137.50</b>	<b>37,428.55</b>	<b>31,971.59</b>	<b>29,585.52</b>	<b>4,885,098.97</b>
Support services:							
Salaries	419,232.34	61,725.68	45,810.46	29,960.00		1,294.00	558,022.48
Other Salaries	7,685.44	9,301.00					16,986.44
Salaries of Other Professional Staff	1,032,837.78						1,032,837.78
Salaries of Secretarial & Clerical Staff	50,788.40						50,788.40
Salaries of Community Parent Involvement Specialists	81,838.65						81,838.65
Salaries of Master Teachers	239,639.30						239,639.30
Personal Services - Employee Benefits	866,302.27	839.16	25,257.54	5,015.05	74.11	155.91	1,270,109.88
Purchased Technical Services	334,847.00	16,809.00	51,700.00	7,500.00			410,856.00
Purchased Professional Services	28,500.00						28,500.00
Other Purchased Services	83,699.95	8,918.46	21,346.40				113,964.81
Travel	2,536.54						2,536.54
Supplies & Materials	601,468.03	26,295.02	12,134.12	8,140.45			650,885.54
Scholarships Awarded	8,500.00						8,500.00
Student Activities	184,798.38						184,798.38
Other Objects	85.75						85.75
<b>Total support services</b>	<b>3,942,759.83</b>	<b>494,515.00</b>	<b>157,248.52</b>	<b>50,615.50</b>	<b>74.11</b>	<b>1,449.91</b>	<b>4,650,349.95</b>
Facilities acquisition and const. serv.:							
Buildings							
Instructional Equipment	213,669.54						213,669.54
Noninstructional Equipment	52,912.21						52,912.21
<b>Total facilities acquisition and const. serv.</b>	<b>266,581.75</b>						<b>266,581.75</b>
<b>Total Expenditures</b>	<b>8,024,711.39</b>	<b>\$14,996.58</b>	<b>\$182,366.02</b>	<b>\$68,044.05</b>	<b>\$32,045.70</b>	<b>\$31,035.43</b>	<b>9,802,030.57</b>
Other Financing Sources (Uses):							
Transfer from General Fund	100,000.00						100,000.00
<b>Total Other Financing Sources (Uses)</b>	<b>100,000.00</b>						<b>100,000.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>12,542.72</b>						<b>12,542.72</b>
Fund Balance, July 1	188,820.70						188,820.70
Fund Balance, June 30	\$201,963.42						\$201,963.42

CITY OF LINDEN SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Total Brought Forward (Ex.E-1B)	21 CENTURY TEACHING	21 CENTURY SUPPLEMENT	I.D.E.A. PART B BASIC	I.D.E.A. PART B PRE-SCHOOL	ARP I.D.E.A. PART B BASIC	ARP I.D.E.A. PART B PRE-SCHOOL	ARP I.D.E.A. PART B PRE-SCHOOL	Total Carried Forward
<b>REVENUES:</b>									
Federal Sources	\$2,168,515.79	\$491,607.94	\$19,635.93	\$1,642,765.53	\$42,962.00	\$329,030.10	\$28,012.00	\$28,012.00	\$4,722,529.29
State Sources	2,783,898.09								2,783,898.09
Local Sources	430,826.73								430,826.73
<b>Total Revenues</b>	<b>\$5,383,240.61</b>	<b>\$491,607.94</b>	<b>\$19,635.93</b>	<b>\$1,642,765.53</b>	<b>\$42,962.00</b>	<b>\$329,030.10</b>	<b>\$28,012.00</b>	<b>\$28,012.00</b>	<b>\$7,937,254.11</b>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries	\$578,373.54	\$255,250.60		\$167,068.10					\$833,624.14
Salaries of Teachers	1,586,698.32								1,753,766.42
Other Salaries for Instruction	718,367.95	4,595.00	\$17,400.00						718,367.95
Purchased Professional - Technical Services	23,600.00								45,585.00
Purchased Professional - Educational Services	60,658.38								60,658.38
Other Purchased Services (400-500 series)	14,110.99								14,110.99
General Supplies	177,022.18	24,267.13	2,235.93			\$150,412.70	\$28,012.00	\$28,012.00	381,948.94
Other Objects	692.99	6,604.00							7,296.99
<b>Total Instruction</b>	<b>3,159,524.35</b>	<b>290,716.73</b>	<b>19,635.93</b>	<b>167,068.10</b>		<b>150,412.70</b>	<b>28,012.00</b>	<b>28,012.00</b>	<b>3,815,369.81</b>
Support services:									
Salaries	\$273,912.58	\$115,690.78							\$419,232.34
Other Salaries	7,685.44								7,685.44
Salaries of Other Professional Staff	72,293.35			\$960,544.43					1,032,837.78
Salaries of Secretarial & Clerical Staff	50,788.40								50,788.40
Salaries of Community Parent Involvement Specialists	81,838.65								81,838.65
Salaries of Master Teachers	239,639.30								239,639.30
Personal Services - Employee Benefits	306,439.27	31,377.00		515,153.00	13,333.00				866,302.27
Purchased Technical Services	291,047.00	43,800.00							334,847.00
Other Purchased Services	28,500.00								28,500.00
Travel	83,321.95	378.00							83,699.95
Supplies & Materials	2,536.54								2,536.54
Scholarships Awarded	597,822.58	9,645.45							601,468.03
Student Activities	8,500.00								8,500.00
Other Objects	184,798.38								184,798.38
<b>Total support services</b>	<b>2,223,209.19</b>	<b>200,891.21</b>		<b>1,475,697.43</b>	<b>42,962.00</b>				<b>3,942,759.83</b>
Facilities acquisition and const. serv.:									
Instructional Equipment	35,062.14					178,617.40			213,669.54
Noninstructional Equipment	52,912.21								52,912.21
<b>Total facilities acquisition and const. serv.</b>	<b>87,964.35</b>					<b>178,617.40</b>			<b>286,581.75</b>
<b>Total Expenditures</b>	<b>3,363,943.77</b>	<b>\$491,607.94</b>	<b>\$19,635.93</b>	<b>\$1,642,765.53</b>	<b>\$42,962.00</b>	<b>\$329,030.10</b>	<b>\$28,012.00</b>	<b>\$28,012.00</b>	<b>6,024,711.98</b>
Other Financing Sources (Uses):									
Transfer from General Fund	100,000.00								100,000.00
<b>Total Other Financing Sources (Uses)</b>	<b>\$100,000.00</b>								<b>\$100,000.00</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,542.72								12,542.72
Fund Balance, July 1	189,820.70								189,820.70
Fund Balance, June 30	\$201,363.42								\$201,363.42

CITY OF LINDEN SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Total Brought Forward (EXE-1C)	CRRSA - ESSER II	CRRSA - ESSER II - LEARNING ACCELERATION	CRRSA - ESSER II - MENTAL HEALTH	ARP - ESSER	ARP - ESSER LEARNING ACCELERATION	CARES - ESSERF	Total Carried Forward
<b>REVENUES:</b>								
Federal Sources	\$61,761.67	\$1,092,043.30	\$189,873.00	\$45,000.00	\$516,364.41	\$27,000.00	\$236,473.41	\$2,168,515.79
State Sources	2,783,896.09							2,783,896.09
Local Sources	430,826.73							430,826.73
<b>Total Revenues</b>	<b>\$3,276,486.49</b>	<b>\$1,092,043.30</b>	<b>\$189,873.00</b>	<b>\$45,000.00</b>	<b>\$516,364.41</b>	<b>\$27,000.00</b>	<b>\$236,473.41</b>	<b>\$5,383,240.61</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries	\$1,069.50	\$332,743.04	\$172,299.00				\$72,262.00	\$578,373.54
Salaries of Teachers	1,566,696.32							1,566,696.32
Other Salaries for Instruction	718,367.95							718,367.95
Other Purchased Services (400-500 series)	14,110.99				\$87,062.18			14,110.99
General Supplies	89,960.00							89,960.00
Other Objects	692.99							692.99
<b>Total Instruction</b>	<b>2,495,159.13</b>	<b>332,743.04</b>	<b>172,299.00</b>		<b>87,062.18</b>		<b>72,262.00</b>	<b>3,159,524.35</b>
Support services:								
Salaries	18,280.68	255,383.90			7,685.44		248.00	273,912.58
Salaries of Other Professional Staff	72,293.35							72,293.35
Salaries of Secretarial & Clerical Staff	50,788.40							50,788.40
Salaries of Community Parent Involvement Specialists	81,838.65							81,838.65
Salaries of Master Teachers	239,639.30							239,639.30
Personal Services - Employee Benefits	469.34	282,271.01	17,574.00		587.91	\$27,000.00	5,547.01	306,439.27
Purchased Technical Services	28,500.00	217,616.00		\$45,000.00			1,431.00	291,047.00
Purchased Professional Services	79,292.60							79,292.60
Supplies & Materials	13,806.30	4,029.35			421,028.88		156,985.40	63,321.95
Scholarships Awarded	8,500.00							8,500.00
Student Activities	184,798.38							184,798.38
Other Objects	85.75							85.75
<b>Total support services</b>	<b>780,821.29</b>	<b>759,300.26</b>	<b>17,574.00</b>	<b>45,000.00</b>	<b>429,302.23</b>	<b>27,000.00</b>	<b>164,211.41</b>	<b>2,223,209.19</b>
Facilities acquisition and const. serv.:								
Instructional Equipment	35,052.14							35,052.14
Noninstructional Equipment	52,912.21							52,912.21
<b>Total facilities acquisition and const. serv.</b>	<b>87,964.35</b>							<b>87,964.35</b>
<b>Total Expenditures</b>	<b>3,963,943.77</b>	<b>\$1,092,043.30</b>	<b>\$189,873.00</b>	<b>\$45,000.00</b>	<b>\$516,364.41</b>	<b>\$27,000.00</b>	<b>\$236,473.41</b>	<b>5,470,697.89</b>
<b>Other Financing Sources (Uses):</b>								
Transfer from General Fund	100,000.00							100,000.00
<b>Total Other Financing Sources (Uses)</b>	<b>\$100,000.00</b>							<b>\$100,000.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>12,542.72</b>							<b>12,542.72</b>
<b>Fund Balance, July 1</b>	<b>188,820.70</b>							<b>188,820.70</b>
<b>Fund Balance, June 30</b>	<b>\$201,363.42</b>							<b>\$201,363.42</b>



CITY OF LINDEN SCHOOL DISTRICT  
 SPECIAL REVENUE FUND  
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	NEW JERSEY NON-PUBLIC SCHOOLS PROGRAMS				Total Carried Forward
	SUPPLEMENTARY INSTRUCTION	EXAMINATION / CLASSIFICATION	CORRECTIVE SPEECH	TECHNOLOGY	SECURITY
REVENUES:					
State Sources	\$247.83	\$1,706.17	\$1,674.00	\$2,871.00	\$11,130.00
Total Revenues	\$247.83	\$1,706.17	\$1,674.00	\$2,871.00	\$11,130.00
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$247.83		\$1,674.00	\$2,871.00	\$11,130.00
General Supplies					
Total instruction	247.83		1,674.00	2,871.00	11,130.00
Support services:					
Salaries of Other Professional Staff		\$1,706.17			
Total support services		1,706.17			
Total Expenditures	\$247.83	\$1,706.17	\$1,674.00	\$2,871.00	\$11,130.00
Other Financing Sources (Uses):					
Transfer from General Fund					
Total Other Financing Sources (Uses)					
Excess (Deficiency) of Revenues Over (Under) Expenditures					
Fund Balance, July 1					
Fund Balance, June 30					

CITY OF LINDEN SCHOOL DISTRICT  
STUDENT ACTIVITY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>BALANCE</u> <u>JUNE 30, 2021</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSEMENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2022</u>
<u>Student Activity Funds:</u>				
High school	\$ 173,666.77	\$ 148,869.22	\$ 137,035.88	\$ 185,500.11
Athletic	<u>501.36</u>	<u>49,447.75</u>	<u>47,762.50</u>	<u>2,186.61</u>
<u>Total student activity funds</u>	<u>\$ 174,168.13</u>	<u>\$ 198,316.97</u>	<u>\$ 184,798.38</u>	<u>\$ 187,686.72</u>

CITY OF LINDEN SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF PRESCHOOL EDUCATION AID  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$1,590,763.00	\$1,584,776.49	\$5,986.51
Other Salaries for Instruction	768,748.00	718,367.95	50,380.05
Purchased Professional - Educational Services	75,000.00	60,658.38	14,341.62
General supplies	71,698.00	18,637.86	53,060.14
<b>Total instruction</b>	<b>2,506,209.00</b>	<b>2,382,440.68</b>	<b>123,768.32</b>
Support Services:			
Salaries of Other Professional Staff	100,000.00	70,587.18	29,412.82
Salaries of Secretarial and Clerical Assistants	52,133.00	50,788.40	1,344.60
Salaries of Community Parent Involvement Specialists	85,521.00	81,838.65	3,682.35
Salaries of Master Teachers	264,692.00	239,639.30	25,052.70
Personal Services - Employee Benefits	104,871.00		104,871.00
Purchased Educational Services - Contracted Pre-K	28,500.00	28,500.00	
Travel	36,000.00	2,536.54	33,463.46
Other Purchased Services (400-500 series)	4,000.00	728.84	3,271.16
Supplies and Materials	34,000.00	9,209.50	24,790.50
<b>Total support services</b>	<b>709,717.00</b>	<b>483,828.41</b>	<b>225,888.59</b>
<b>Total expenditures</b>	<b>\$3,215,926.00</b>	<b>\$2,866,269.09</b>	<b>\$349,656.91</b>

CALCULATION OF BUDGET AND CARRYOVER

Total 2021-22 Preschool Education Aid Allocation	\$2,490,996.00
Add: Actual PreK Carryover (June 30, 2021)	624,930.00
Add: Budgeted Transfer From General Fund	100,000.00
<b>Total Preschool Education Funds Available for 2021-22 Budget</b>	<b>3,215,926.00</b>
Less: 2021-22 Budgeted Prek (Including prior year budgeted carryover)	3,215,926.00
<b>Available &amp; Unbudgeted Preschool Education Aid Funds as of June 30, 2022</b>	
Add: June 30, 2022 Unexpended Preschool Education Aid	349,656.91
2021-22 actual Carryover-Preschool Education Aid	\$349,656.91
<b>2021-22 Preschool Education Aid Carryover Budgeted for Preschool Programs 2022-23</b>	<b>\$624,930.00</b>

## ENTERPRISE FUND DETAIL STATEMENTS

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

<b>FOOD SERVICES FUND:</b>	This fund provides for the operation of food services within the school district.
<b>DAY CARE FUND:</b>	This fund provides for the operation of the Day Care Program within the school district.
<b>AFTER CARE FUND:</b>	This fund provides for the operation of the After Care Program within the school district.
<b>MAC BOOK FUND:</b>	This fund provides for the operation of the MAC Book Program within the school district.

CITY OF LINDEN SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>FOOD SERVICE</u> <u>FUND</u>	<u>DAY CARE</u> <u>FUND</u>	<u>AFTER CARE</u> <u>FUND</u>	<u>MAC BOOK</u> <u>FUND</u>	<u>TOTAL</u> <u>ENTERPRISE</u>
<b>ASSETS:</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 1,404,792.81	\$ 32,331.17	\$ 353,373.60	\$ 395,597.13	\$ 2,186,094.71
Accounts receivable:					
Federal	237,940.19				237,940.19
State	4,760.07				4,760.07
Inventories	<u>61,659.93</u>				<u>61,659.93</u>
<b>Total current assets</b>	<b>\$ <u>1,709,153.00</u></b>	<b>\$ <u>32,331.17</u></b>	<b>\$ <u>353,373.60</u></b>	<b>\$ <u>395,597.13</u></b>	<b>\$ <u>2,490,454.90</u></b>
<b>Noncurrent assets:</b>					
Furniture, machinery & equipment	\$ 1,540,580.55	\$	\$	\$	\$ 1,540,580.55
Less accumulated depreciation	<u>(1,162,585.34)</u>				<u>(1,162,585.34)</u>
<b>Total noncurrent assets</b>	<b>\$ <u>377,995.21</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ <u>377,995.21</u></b>
<b>Total assets</b>	<b>\$ <u>2,087,148.21</u></b>	<b>\$ <u>32,331.17</u></b>	<b>\$ <u>353,373.60</u></b>	<b>\$ <u>395,597.13</u></b>	<b>\$ <u>2,868,450.11</u></b>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 127,970.21	\$	\$	\$	\$ 127,970.21
Unearned revenue	<u>17,995.17</u>				<u>17,995.17</u>
<b>Total current liabilities</b>	<b>\$ <u>145,965.38</u></b>				<b>\$ <u>145,965.38</u></b>
<b>Total liabilities</b>	<b>\$ <u>145,965.38</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ <u>145,965.38</u></b>
<b>NET POSITION:</b>					
<b>Restricted for:</b>					
Net investment in capital assets	\$ 377,995.21	\$	\$	\$	\$ 377,995.21
Unrestricted	<u>1,563,187.62</u>	<u>32,331.17</u>	<u>353,373.60</u>	<u>395,597.13</u>	<u>2,344,489.52</u>
<b>Total Net Position</b>	<b>\$ <u>1,941,182.83</u></b>	<b>\$ <u>32,331.17</u></b>	<b>\$ <u>353,373.60</u></b>	<b>\$ <u>395,597.13</u></b>	<b>\$ <u>2,722,484.73</u></b>

CITY OF LINDEN SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>FOOD SERVICE</u> <u>FUND</u>	<u>DAY CARE</u> <u>FUND</u>	<u>AFTER CARE</u> <u>FUND</u>	<u>MAC BOOK</u> <u>FUND</u>	<u>TOTAL</u> <u>ENTERPRISE</u>
<b>OPERATING REVENUES:</b>					
Charges for services:					
Daily sales- reimbursable Programs	\$ 39,037.97	\$	\$	\$	\$ 39,037.97
Daily sales- non-reimbursable Programs		222,400.00	691,906.89	229,166.17	1,143,473.06
Miscellaneous	<u>15,966.88</u>				<u>15,966.88</u>
Total operating revenues	<u>\$ 55,004.85</u>	<u>\$ 222,400.00</u>	<u>\$ 691,906.89</u>	<u>\$ 229,166.17</u>	<u>\$ 1,198,477.91</u>
<b>OPERATING EXPENSES:</b>					
Cost of sales- reimbursable Programs	\$ 1,551,780.98	\$	\$	\$	\$ 1,551,780.98
Salaries and employee benefits	1,499,682.27	307,889.50	868,532.92		2,676,104.69
Other Purchased Service	17,250.55		1,019.25		18,269.80
Cleaning, Repairs and Maintenance	28,538.44			35,224.00	63,762.44
Insurance	34,328.92				34,328.92
Supplies and materials	155,832.55		11,077.31		166,909.86
Other Expenses	299,089.84		1,701.50		300,791.34
Depreciation	<u>106,843.83</u>				<u>106,843.83</u>
Total operating expenses	<u>\$ 3,693,347.38</u>	<u>\$ 307,889.50</u>	<u>\$ 882,330.98</u>	<u>\$ 35,224.00</u>	<u>\$ 4,918,791.86</u>
Net operating income (loss)	<u>\$ (3,638,342.53)</u>	<u>\$ (85,489.50)</u>	<u>\$ (190,424.09)</u>	<u>\$ 193,942.17</u>	<u>\$ (3,720,313.95)</u>
<b>NONOPERATING REVENUE (EXPENSE):</b>					
State Sources					
State School Lunch Program	\$ 70,008.86	\$	\$	\$	\$ 70,008.86
Federal Sources					
National School Lunch Program	2,978,128.00				2,978,128.00
National School Breakfast Program	301,665.38				301,665.38
National School Snack Program	13,935.00				13,935.00
Summer Food Service Program	129,194.37				129,194.37
P-EBT Administrative Cost	3,135.00				3,135.00
National food distribution commodities	237,694.64				237,694.64
Interest		<u>638.65</u>	<u>638.62</u>	<u>638.60</u>	<u>1,915.87</u>
Total nonoperating revenue (expense)	<u>\$ 3,733,761.25</u>	<u>\$ 638.65</u>	<u>\$ 638.62</u>	<u>\$ 638.60</u>	<u>\$ 3,735,677.12</u>
Change in net position	\$ 95,418.72	\$ (84,850.85)	\$ (189,785.47)	\$ 194,580.77	\$ 15,363.17
Total net position - beginning	<u>1,845,764.11</u>	<u>\$ 117,182.02</u>	<u>\$ 543,159.07</u>	<u>\$ 201,016.36</u>	<u>2,707,121.56</u>
Total net position - ending	<u>\$ 1,941,182.83</u>	<u>\$ 32,331.17</u>	<u>\$ 353,373.60</u>	<u>\$ 395,597.13</u>	<u>\$ 2,722,484.73</u>

CITY OF LINDEN SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	FOOD SERVICE FUND	DAY CARE FUND	AFTER CARE FUND	MAC BOOK FUND	TOTAL ENTERPRISE
Cash flows from operating activities:					
Receipts from customers	\$ 55,004.85	\$ 222,400.00	\$ 691,906.89	\$ 229,166.17	\$ 1,198,477.91
Payments to employees and employee benefits	(1,499,682.27)	(307,889.50)	(868,532.92)		(2,676,104.69)
Payments to suppliers	(2,010,576.80)		(13,798.06)	(35,224.00)	(2,059,598.86)
Net cash provided (used) by operating activities	<u>\$ (3,455,254.22)</u>	<u>\$ (85,489.50)</u>	<u>\$ (190,424.09)</u>	<u>\$ 193,942.17</u>	<u>\$ (3,537,225.64)</u>
Cash flows from noncapital financing activities:					
State sources	\$ 73,968.77				\$ 73,968.77
Federal sources	3,983,506.24				3,983,506.24
Net cash provided (used) by noncapital financing activities	<u>\$ 4,057,475.01</u>				<u>\$ 4,057,475.01</u>
Cash flows from investing activities:					
Interest on investments and deposits		\$ 638.65	\$ 638.62	\$ 638.60	\$ 1,915.87
Net cash provided (used) by investing activities		<u>\$ 638.65</u>	<u>\$ 638.62</u>	<u>\$ 638.60</u>	<u>\$ 1,915.87</u>
Net increase (decrease) in cash and cash equivalents	\$ 602,220.79	\$ (84,850.85)	\$ (189,785.47)	\$ 194,580.77	\$ 522,165.24
Cash and cash equivalents, June 30, 2021	<u>\$ 802,572.02</u>	<u>\$ 117,182.02</u>	<u>\$ 543,159.07</u>	<u>\$ 201,016.36</u>	<u>\$ 1,663,929.47</u>
Cash and cash equivalents, June 30, 2022	<u>\$ 1,404,792.81</u>	<u>\$ 32,331.17</u>	<u>\$ 353,373.60</u>	<u>\$ 395,597.13</u>	<u>\$ 2,186,094.71</u>
Operating income(loss)	\$ (3,638,342.53)	\$ (85,489.50)	\$ (190,424.09)	\$ 193,942.17	\$ (3,720,313.95)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:					
Depreciation and net amortization	106,843.83				106,843.83
Change in assets and liabilities:					
(Increase) Decrease in inventories	(22,324.69)				(22,324.69)
Increase (Decrease) in unearned revenue	8,807.28				8,807.28
Increase (Decrease) in accounts payable	89,761.89				89,761.89
Net cash provided (used) by operating activities	<u>\$ (3,455,254.22)</u>	<u>\$ (85,489.50)</u>	<u>\$ (190,424.09)</u>	<u>\$ 193,942.17</u>	<u>\$ (3,537,225.64)</u>

**LONG-TERM LIABILITIES SCHEDULES**

The Long-Term Liabilities schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Leases and Installment Purchase Contracts.

CITY OF LINDEN SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<u>PURPOSE</u>	<u>TERM OF LEASE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>INTEREST RATE PAYABLE</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2022</u>
St. Elizabeth - Building Lease	5 Years	\$ 2,973,424.44	0.577%	\$ 2,973,424.44	\$ 565,406.55	\$ 2,408,017.89
				\$ 2,973,424.44	\$ 565,406.55	\$ 2,408,017.89

CITY OF LINDEN SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER INSTALLMENT PURCHASE CONTRACTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

PURPOSE	DATE OF LEASE	TERM OF LEASE	AMOUNT OF ORIGINAL CONTRACT PRINCIPAL	INTEREST PAYABLE	INTEREST RATE	BALANCE JUNE 30, 2021	RETIRED	BALANCE JUNE 30, 2022
Athletic Fields	11/01/16	15	\$ 2,875,000.00	\$ 844,530.00	variable	\$ 2,195,000.00	\$ 185,000.00	\$ 2,010,000.00
Cyber Security Software - Malware Protection	02/14/20	5	951,220.00	48,502.11	2.44%	571,709.67	185,994.71	385,714.96
Apple iPads	05/03/21	3	740,925.00		0.00%	740,925.00	246,975.00	493,950.00
Apple MacBook Airls	05/03/21	3	879,000.00		0.00%	879,000.00	293,000.00	586,000.00
						\$ 4,386,634.67	\$ 910,969.71	\$ 3,475,664.96

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

CITY OF LINDEN SCHOOL DISTRICT  
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to 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 to 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.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.

CITY OF LINDEN SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Governmental activities</b>										
Net investment in capital assets	\$64,037,753	\$62,175,725	\$62,632,686	\$56,098,871	\$54,109,067	\$52,062,850	\$48,989,009	\$48,369,664	\$44,762,620	\$38,395,627
Restricted for:										
Capital projects	36,482,614	31,451,669	20,533,815	17,552,905	79,135	79,135	-	2,085,870	2,089,510	2,105,167
Other purposes	26,129,670	11,650,287	11,204,122	7,751,381	23,305,882	23,465,954	23,136,219	19,845,898	18,250,196	26,666,289
Unrestricted (deficit)	(34,806,147)	(38,373,430)	(40,729,813)	(39,987,853)	(39,900,287)	(37,059,224)	(33,289,769)	(2,091,948)	(1,800,252)	(1,932,355)
<b>Total governmental activities net position</b>	<b>\$91,841,890</b>	<b>\$66,904,250</b>	<b>\$53,640,810</b>	<b>\$43,415,304</b>	<b>\$38,514,662</b>	<b>\$38,548,715</b>	<b>\$38,835,461</b>	<b>\$68,209,424</b>	<b>\$63,302,076</b>	<b>\$65,234,727</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$377,995	\$484,839	\$73,654	\$607,543	\$140,993	\$159,233	\$136,752	\$152,550	\$132,310	\$135,177
Unrestricted	2,344,490	2,222,283	1,814,375	1,477,403	1,265,318	1,528,464	1,180,879	730,842	834,894	731,870
<b>Total business-type activities net position</b>	<b>\$2,722,485</b>	<b>\$2,707,122</b>	<b>\$2,388,229</b>	<b>\$2,084,946</b>	<b>\$1,406,311</b>	<b>\$1,687,697</b>	<b>\$1,317,431</b>	<b>\$863,392</b>	<b>\$967,203</b>	<b>\$867,047</b>
<b>District-wide</b>										
Net investment in capital assets	\$64,415,748	\$62,660,564	\$63,206,540	\$66,706,414	\$54,250,060	\$52,222,082	\$49,125,762	\$48,522,214	\$44,894,930	\$38,530,803
Restricted	62,612,264	43,101,956	31,737,937	25,304,286	23,305,882	23,545,090	23,136,219	21,931,708	20,339,709	28,771,456
Unrestricted (deficit)	(32,463,658)	(38,151,148)	(38,915,439)	(38,510,450)	(37,634,969)	(35,530,759)	(32,109,089)	(1,361,106)	(965,359)	(1,200,485)
<b>Total district net position</b>	<b>\$94,564,375</b>	<b>\$69,611,372</b>	<b>\$56,029,039</b>	<b>\$45,500,250</b>	<b>\$39,920,973</b>	<b>\$40,238,412</b>	<b>\$40,152,892</b>	<b>\$69,092,816</b>	<b>\$64,269,280</b>	<b>\$66,101,774</b>

Source: District records

CITY OF LINDEN SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN YEARS  
UNAUDITED

	Fiscal Year Ending									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Expenses</b>										
Governmental activities:										
Instruction:										
Regular	\$65,484,508	\$71,175,926	\$62,256,116	\$64,542,682	\$59,617,492	\$60,474,907	\$54,485,361	\$49,170,283	\$48,324,314	\$44,439,883
Special education	23,851,374	27,054,371	26,716,984	27,570,976	14,837,833	15,181,612	13,529,304	12,447,305	10,961,508	13,216,494
Other special education	7,729,531	8,701,909	8,062,711	8,630,720	6,461,853	6,504,486	5,962,898	5,401,364	4,686,742	5,097,221
Support Services:										
Tuition										
Student and instruction related services	22,391,758	25,943,712	22,701,853	22,927,818	11,508,848	10,626,290	10,166,875	10,295,921	9,445,410	8,520,729
General administrative services	1,364,286	1,750,627	1,559,246	1,465,029	2,309,753	2,459,124	2,419,878	17,078,673	16,636,113	14,217,567
School administrative services	9,114,143	9,934,514	8,617,872	9,012,471	7,420,906	7,880,370	7,254,600	2,135,657	1,888,240	2,942,029
Central services	1,053,560	1,456,825	1,662,144	1,606,869	1,864,249	2,076,386	1,838,711	6,537,416	5,127,509	4,249,741
Administrative technology information	1,207,827	1,307,120	1,396,206	1,595,437	2,033,851	1,944,465	1,750,992	1,644,255	1,481,497	1,726,508
Plant operations and maintenance	8,817,649	11,618,978	11,960,422	13,182,172	18,528,749	18,750,653	16,909,587	15,786,285	14,984,469	12,539,958
Student transportation	7,681,849	5,387,797	5,476,634	5,325,287	7,829,382	7,785,653	6,785,683	6,220,332	5,456,872	3,653,543
Unused vacation pay to terminated/retired staff					98,542	154,244				
Special Schools										
Transfer to Charter Schools					278,263	157,682	1,875	45,584	72,789	105,010
Debt Service Assessment					47,663	47,663	47,663	47,663		73,245
Total governmental activities expenses	148,696,486	164,331,780	150,440,187	155,859,492	153,477,693	154,110,151	139,692,789	128,734,043	120,667,600	111,396,109
Business-type activities:										
Food service	3,693,347	1,669,492	2,571,665	3,279,395	3,200,054	2,920,890	2,655,897	2,781,491	2,631,659	2,630,216
Day Care	307,990	98,063	198,038	263,984	235,435	201,584	175,089	183,627	104,859	
Aftercare	882,331	192,994	574,874	808,265	650,279	471,161	144,724			
MacBooks	35,224	24,997	65,649	21,681	373,573	25,771	1,465			
Total business-type activities expense	4,918,792	1,985,546	3,410,225	4,373,324	4,459,342	3,619,405	2,977,195	2,781,491	2,631,659	2,630,216
Total district expenses	153,615,278	166,317,326	153,850,412	160,232,817	157,937,034	157,729,556	142,669,985	131,515,533	123,299,259	114,026,325
Program Revenues										
Governmental activities:										
Operating grants and contributions	28,905,009	40,977,586	27,862,202	32,027,165	29,594,659	34,563,839	24,659,531	19,514,164	8,130,862	15,428,212
Charges for services	198,317	86,233			29,594,659	34,563,839	24,659,531	19,514,164	8,130,862	15,428,212
Total governmental activities program revenues	29,103,326	41,063,819	27,862,202	32,027,165	29,594,659	34,563,839	24,659,531	19,514,164	8,130,862	15,428,212
Business-type activities:										
Charges for services	1,198,478	434,590	1,858,987	2,275,479	2,135,135	1,965,950	1,543,280	1,098,854	1,045,183	988,307
Total business-type activities program revenues	1,198,478	434,590	1,858,987	2,275,479	2,135,135	1,965,950	1,543,280	1,098,854	1,045,183	988,307
Total district program revenues	30,301,804	41,498,409	29,721,199	34,302,644	31,729,794	36,529,790	26,202,810	20,613,018	9,176,045	16,416,518
Net (Expense)/Revenue	(119,593,160)	(125,267,961)	(122,577,985)	(123,832,327)	(123,883,034)	(119,546,312)	(115,033,259)	(109,219,879)	(112,536,738)	(95,967,898)
Governmental activities	(3,720,314)	(1,550,956)	(1,551,228)	(2,097,846)	(2,324,207)	(1,563,455)	(1,433,915)	(1,682,637)	(1,986,476)	(1,541,909)
Business-type activities	(115,872,846)	(123,717,005)	(121,026,757)	(121,734,481)	(121,558,827)	(117,982,857)	(113,600,000)	(107,537,242)	(110,550,262)	(94,425,989)
Total district-wide net expense	(\$123,313,474)	(\$124,818,917)	(\$124,129,213)	(\$125,930,173)	(\$126,207,240)	(\$121,199,167)	(\$115,467,174)	(\$110,902,516)	(\$114,123,214)	(\$97,509,807)

CITY OF LINDEN SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN YEARS  
UNAUDITED

	Fiscal Year Ending									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$94,215,916	\$94,215,916	\$94,215,916	\$94,215,916	\$92,368,545	\$89,814,375	\$86,380,964	\$84,115,176	\$81,257,451	\$79,664,168
Federal and State aid not restricted- Net	39,933,679	32,932,675	30,703,081	27,025,176	24,008,003	22,216,219	22,050,080	22,303,062	21,865,712	21,965,186
Federal and State aid restricted	9,238,366	8,701,070	6,807,000	7,251,086	6,635,863	6,308,827	6,494,492	5,874,744	7,049,032	46,835
Tuition Received					155,627	215,659	243,358	107,403	151,625	92,427
Investment earnings	(116,399)		(2,868)		(6,208)				102,120	
Loss on Disposal of Fixed Assets	1,259,238	681,741	636,571	533,884	687,151	628,612	627,051	1,278,863	178,963	499,341
Miscellaneous income	144,530,789	136,531,402	132,359,699	129,026,062	123,848,960	119,183,693	115,795,954	113,679,247	110,604,903	102,267,957
<b>Total governmental activities</b>	<b>3,735,677</b>	<b>1,869,848</b>	<b>1,854,511</b>	<b>2,259,579</b>	<b>2,103,903</b>	<b>2,023,721</b>	<b>1,867,954</b>	<b>1,782,453</b>	<b>1,791,492</b>	<b>1,710,529</b>
Business-type activities:										
Federal and State aid not restricted				4,775						7
Investment earnings	3,735,677	1,869,848	1,854,511	2,264,354	2,103,903	2,023,721	1,867,954	1,782,453	1,791,492	1,710,536
<b>Total business-type activities</b>	<b>148,266,477</b>	<b>138,401,250</b>	<b>134,214,211</b>	<b>131,290,416</b>	<b>125,952,863</b>	<b>121,207,414</b>	<b>117,663,908</b>	<b>115,461,700</b>	<b>112,396,395</b>	<b>103,978,493</b>
<b>Change in Net Assets</b>	<b>24,937,640</b>	<b>13,263,441</b>	<b>9,781,715</b>	<b>5,193,735</b>	<b>(34,053)</b>	<b>(362,619)</b>	<b>762,695</b>	<b>4,459,369</b>	<b>(1,931,835)</b>	<b>6,300,059</b>
Governmental activities	15,363	318,892	303,283	166,509	(220,304)	370,266	434,039	89,816	205,016	68,628
Business-type activities	\$24,953,003	\$13,582,333	\$10,084,998	\$5,360,244	(\$254,357)	\$7,647	\$1,196,734	\$4,559,184	(\$1,726,819)	\$6,368,686
<b>Total district</b>										

Source: District records

CITY OF LINDEN SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 (modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Fund</b>										
Restricted for:										
Excess Surplus - Current Year	\$ 14,243,640	\$ 3,500,000	\$ 3,441,040	\$ 2,500,275	\$ 2,227,506	\$ 2,885,601	\$ 2,171,156	\$ 2,368,129	\$ 2,270,789	\$ 2,858,467
Excess Surplus - Prior Year	3,500,000	3,441,040	2,500,275	2,227,506	2,885,601	2,171,156	2,368,129	2,270,789	2,858,467	1,758,388
Capital Reserve Account	36,482,614	31,451,669	20,533,815	17,552,905	14,743,453	15,364,355	16,118,764	9,025,290	4,025,290	2,625,290
Emergency Reserve	945,683	947,786	945,298	934,802	926,230	925,307	924,362	923,476	923,476	923,476
Unemployment Compensation	217,019	216,431								
Committed to:										
Designated for Subsequent Years Expenditures	581,674.00	689,450.00	897,465.00			408,457	111,817	1,054,658	1,000,501	2,145,297
FFCRA/SEMI-Des. for Subs. Years Expenditures	18,126.77	18,126.77								
Year-End Encumbrances	6,418,164	2,638,633	3,363,937	2,088,799	2,523,092	1,642,121	1,441,971	4,091,679	7,171,675	16,279,579
Unassigned	765,985	1,735,723	(387,664)	262,623	377,146	284,266	211,072	191,223	186,722	
<b>Total General Fund</b>	\$ 63,196,905	\$ 44,652,859	\$ 31,294,147	\$ 25,566,910	\$ 23,683,028	\$ 23,681,263	\$ 23,347,291	\$ 19,925,245	\$ 18,436,921	\$ 26,590,638
<b>All Other Governmental Funds</b>										
Restricted for:										
Special Revenue Fund (Deficit)	\$ (249,092)	\$ (302,019)	\$ (297,952)	\$ (322,317)	\$	\$	\$	\$	\$	\$
Other Purposes	201,363	168,821				79,135		2,085,870	2,089,310	2,105,167
Capital Purposes										
Committed to:										
Unassigned						68,957				
<b>Total All Other Governmental Funds</b>	\$ (47,729)	\$ (133,199)	\$ (297,952)	\$ (322,317)	\$	\$ 148,093	\$	\$ 2,085,870	\$ 2,089,310	\$ 2,105,167

This Schedule does not contain ten years of information as GASB #84 was implemented during fiscal year ending June 30, 2021.

Source: School District Financial Reports

CITY OF LINDEN SCHOOL DISTRICT  
 CHANGES IN GOVERNMENTAL FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS

	UNAUDITED									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues</b>										
Tax levy	\$ 94,215,916	\$ 94,215,916	\$ 94,215,916	\$ 94,215,916	\$ 92,368,545	\$ 89,814,375	\$ 86,380,964	\$ 84,115,176	\$ 81,257,451	\$ 79,664,168
Tuition charges	85,709	46,726	71,507	111,163	155,627	215,659	243,358	107,403	151,625	46,835
Interest earned on capital reserve funds	30,945	30,436	110,764	109,452	10,661	7,804	7,906			
Interest earned on emergency reserve funds	1,897	2,488	10,496	8,571	923	925	906			87
Restricted Miscellaneous	587	599								
Unrestricted Miscellaneous	971,257	518,556	717,705	948,816	675,566	617,097	618,551	1,278,863	281,083	591,681
State sources	72,483,646	59,538,348	53,108,904	48,209,180	42,189,904	37,706,289	36,099,888	34,314,127	32,541,151	33,105,157
Federal sources	7,156,933	6,145,073	3,671,608	3,981,397	3,624,776	3,800,523	3,917,763	3,356,745	4,504,454	4,288,241
<b>Total revenue</b>	<b>174,946,891</b>	<b>160,486,142</b>	<b>151,905,619</b>	<b>147,478,497</b>	<b>139,025,600</b>	<b>132,165,438</b>	<b>127,268,833</b>	<b>123,172,314</b>	<b>118,735,765</b>	<b>117,696,168</b>
<b>Expenditures</b>										
Instruction										
Regular instruction	\$39,021,166.45	39,234,997	37,530,500	37,516,093	36,617,618	35,153,568	34,803,417	32,764,969	37,080,283	31,592,251
Special education instruction	9,348,162	9,803,465	9,853,859	9,420,454	9,209,236	8,984,899	8,712,681	8,432,549	8,209,828	8,042,612
Other special instruction	4,082,675	4,060,110	4,481,971	4,426,246	4,055,270	3,854,997	3,903,485	3,684,800	3,510,224	3,421,264
Support Services:										
Tuition	7,972,276	8,566,867	10,244,759	11,267,898	11,508,848	10,626,290	10,166,875	10,295,921	9,445,410	8,520,729
Student & instruction related services	15,086,985	14,260,980	14,471,672	14,313,977	13,931,734	12,680,918	12,695,146	12,293,591	13,356,459	11,827,368
General administrative Services	1,421,526	1,649,943	1,393,959	1,287,599	1,340,165	1,391,673	1,590,162	1,444,071	1,414,233	1,394,328
School administrative services	5,052,398	4,978,269	4,890,439	4,933,325	4,787,994	4,981,708	5,001,708	4,659,417	3,840,345	3,587,043
Central services	1,272,876	1,212,487	1,264,507	1,193,633	1,103,519	1,236,872	1,187,722	1,101,642	1,109,595	1,179,865
Administrative information technology	1,409,468	1,256,773	1,233,959	1,208,124	1,211,175	1,036,753	1,046,993	1,356,509	1,199,950	712,181
Plant operations and maintenance	10,877,066	10,514,517	10,943,526	11,031,665	10,834,412	10,279,697	10,325,235	10,278,080	11,222,901	10,607,708
Pupil transportation	7,681,849	5,360,469	5,032,561	5,178,073	5,027,347	4,700,797	4,387,865	4,221,700	4,087,027	3,624,299
Unused Vacation Pay to Terminated/Retired Staf	112,622	149,626	175,085	115,637	98,542	154,244				
Unallocated employee benefits	48,900,311	41,427,211	38,382,141	37,663,843	35,373,260	31,419,501	29,356,334	25,582,785	24,195,657	24,786,383
Special Schools										
Capital outlay	6,180,923	5,505,659	7,145,533	5,476,625	3,581,881	4,742,962	2,370,555	5,323,351	6,835,276	105,010
Capital outlay- Debt Service Assessment	47,663	47,663	47,663	47,663	47,663	47,663	47,663	47,663	47,663	2,703,429
Capital outlay - lease principal	424,202	418,644	367,946	281,035	165,000	165,000	160,000	155,000	1,316,387	1,807,671
Special Schools Local										
Transfer to Charter Schools	418,609	550,480	146,287	301,949	278,263	157,682	103,201	45,584	72,789	73,245
Total expenditures	159,310,799	149,018,392	147,106,438	145,623,839	139,171,927	131,619,223	125,860,918	121,687,631	126,904,999	114,013,170
Excess (Deficiency) of revenues over (under) expenditures	15,636,092	11,479,750	4,800,382	1,854,657	(146,328)	546,215	1,407,914	1,484,683	(8,169,234)	3,682,998
<b>Other financing sources (uses)</b>										
Leases ( non budgeted)	2,973,424									
Instalment Purchase Contracts ( non budgeted)		1,619,925	951,220							
Total other financing sources (uses)	2,973,424	1,619,925	951,220							
<b>Net change in fund balances</b>	<b>\$ 18,609,516</b>	<b>\$ 13,099,675</b>	<b>\$ 5,751,602</b>	<b>\$ 1,854,657</b>	<b>\$ (146,328)</b>	<b>\$ 546,215</b>	<b>\$ 1,407,914</b>	<b>\$ 1,484,683</b>	<b>\$ (8,169,234)</b>	<b>\$ 3,682,998</b>
Debt service as a percentage of noncapital expenditures										0.1%

Source: District records

CITY OF LINDEN SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Interest on Investments	E-Rate	Insurance	Rentals	Prior Year Refunds	Misc.	Total
2013	\$92,427	\$199,653		\$47,509		\$252,092	\$591,681
2014	102,120			37,135	\$25,088	116,741	281,083
2015	88,290	596,599		31,120	26,352	379,044	1,121,404
2016	104,936	146,383		37,607	64,440	63,176	416,542
2017	92,725			10,171	72,419	4,452	179,767
2018	96,811			5,645	182,000	70,752	355,207
2019	230,796			36,353		22,756	289,905
2020	352,250			1,200	35,812	76,618	465,880
2021	198,930			3,914		165,030	367,875
2022	182,445		\$314,596	1,144		147,542	645,728

CITY OF LINDEN SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 UNAUDITED

	FISCAL YEAR ENDED JUNE 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District Property										
Vacant Land	\$98,568,300	\$98,568,300	\$87,197,400	\$117,610,900	\$80,447,400	\$92,331,600	\$84,879,000	\$83,311,300	\$91,623,300	\$89,900,800
Residential	1,348,444,000	1,348,444,000	1,343,110,300	1,340,199,400	1,341,153,100	1,347,820,700	1,352,966,900	1,356,795,600	1,357,598,900	1,368,075,400
Commercial	325,626,900	325,626,900	349,648,500	335,639,500	339,697,300	344,750,000	401,929,100	424,132,100	425,402,300	424,620,800
Industrial	889,347,000	889,347,000	875,759,700	870,114,300	875,861,600	865,844,000	791,368,400	772,867,700	779,501,900	783,826,900
Apartment	69,735,000	69,735,000	69,406,800	68,529,500	66,828,500	66,734,600	71,475,900	66,276,900	66,085,200	65,749,900
Total Assessed Value	\$2,731,721,200	\$2,731,721,200	\$2,725,122,700	\$2,732,093,600	\$2,703,987,900	\$2,717,480,900	\$2,702,619,300	\$2,703,373,200	\$2,720,211,600	\$2,732,173,200
Public Utilities	2,800,202	2,800,202	2,660,384	3,725,308	3,757,557	3,943,779	4,067,026	4,535,744	4,101,474	4,296,874
Net Valuation Taxable	\$2,734,521,402	\$2,734,521,402	\$2,727,783,084	\$2,735,818,908	\$2,707,745,457	\$2,721,424,679	\$2,709,686,326	\$2,707,908,944	\$2,724,313,074	\$2,736,472,074

CITY OF LINDEN SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN CALENDAR YEARS  
UNAUDITED

Fiscal Year Ended June 30	Linden Board of Education			Overlapping Rates		Total Direct Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service	Total Direct	City of Linden	County	
2013	3.035		3.035	2.108	1.012	6.155
2014	3.148		3.148	2.162	0.967	6.277
2015	3.255		3.255	2.217	1.054	6.526
2016	3.347		3.347	2.297	1.094	6.738
2017	3.364		3.364	2.231	1.100	6.695
2018	3.446		3.446	2.301	1.140	6.887
2019	3.444		3.444	2.299	1.146	6.889
2020	3.454		3.454	2.295	1.163	6.912
2021	3.446		3.446	2.289	1.214	6.949
2022	3.446		3.446	2.289	1.214	6.949

Source: Municipal Tax Collector

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

CITY OF LINDEN SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND TEN YEARS AGO  
 UNAUDITED

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Phillips 66 Company	\$259,912,500.00	1	9.505%	\$250,000,000.00	1	9.136%
Merck & Co.	78,986,700.00	2	2.889%	109,739,700.00	2	4.010%
Infineum USA LP	53,750,000.00	3	1.966%	63,152,200.00	3	2.308%
Linden Logistics LLC	47,566,500.00	4	1.739%	***		***
Citgo Petroleum	39,332,500.00	5	1.438%	40,551,500.00	5	1.482%
Linden Development LLC (Duke Realty)	38,992,700.00	6	1.426%	24,400,000.00	9	0.892%
Aviation Market Place LLC	37,813,000.00	7	1.383%	43,968,600.00	4	1.607%
PSE& G	35,926,000.00	8	1.314%	36,146,000.00	6	1.321%
Buck Eye Pipeline	28,914,800.00	9	1.057%	28,914,800.00	8	1.057%
Cogen Technologies	25,600,000.00	10	0.936%	30,600,000.00	7	1.118%
Linden Plaza LLC				19,943,900.00	10	0.729%
<b>Total</b>	<b>\$646,794,700.00</b>		<b>23.653%</b>	<b>\$647,416,700.00</b>		<b>22.930%</b>

\*\*\* Not available  
 Source: Municipal Tax Assessor

CITY OF LINDEN SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
UNAUDITED

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Taxes Levied for</u> <u>the Fiscal Year</u>	<u>Collected within the Fiscal Year of the</u> <u>Levy</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2022	\$ 94,215,916	\$ 94,215,916	100.00%	
2021	94,215,916	94,215,916	100.00%	
2020	94,215,916	94,215,916	100.00%	
2019	94,215,916	94,215,916	100.00%	
2018	92,368,545	92,368,545	100.00%	
2017	89,814,375	89,814,375	100.00%	
2016	86,380,964	86,380,964	100.00%	
2015	84,115,176	84,115,176	100.00%	
2014	81,257,451	81,257,451	100.00%	
2013	79,664,168	79,664,168	100.00%	

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

Note: 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 is the amount voted upon or certified prior to the end of the school year.

CITY OF LINDEN SCHOOL DISTRICT  
 RATIOS OF OUTSTANDING DEBT BY TYPE  
 LAST TEN FISCAL YEARS  
 UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Leases	Installment Purchase Contracts	Bond Anticipation Notes (BANs)				
2013			\$4,726,387.13			\$6,534,058.54	N/A	N/A
2014			3,410,000.00			4,726,387.13	N/A	N/A
2015			3,255,000.00			3,410,000.00	N/A	N/A
2016			3,095,000.00			3,255,000.00	N/A	N/A
2017			2,875,000.00			3,095,000.00	N/A	N/A
2018			2,710,000.00			2,875,000.00	N/A	N/A
2019			2,540,000.00			2,710,000.00	N/A	N/A
2020			3,123,274.20			2,540,000.00	N/A	N/A
2021			4,386,634.67			4,386,634.67	N/A	N/A
2022		2,408,017.89	3,475,664.96			5,883,682.85	N/A	N/A

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

CITY OF LINDEN SCHOOL DISTRICT  
RATIOS OF NET BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

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

Source: District records

CITY OF LINDEN SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
UNAUDITED

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Linden	\$73,091,391.20	100.000%	\$73,091,391.20
County of Union	539,924,009.00	6.872%	<u>37,104,827.38</u>
Subtotal, overlapping debt			<u>110,196,218.58</u>
City of Linden School District Direct Debt			<u>-</u>
Total direct and overlapping debt			<u><u>\$110,196,218.58</u></u>

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

CITY OF LINDEN SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Calendar Year 2021  
 Equalized valuation basis

	2021	\$6,752,038,404.00
	2020	6,269,145,480.00
	2019	5,898,751,963.00
	[A]	<u>\$18,919,935,847.00</u>
Average equalized valuation of taxable property	[A/3]	\$6,306,645,282.33
Debt limit (4 % of average equalization value)	[B]	252,265,811.29
Total net debt applicable to limit	[C]	-
Legal debt margin	[B-C]	<u>\$252,265,811.29</u>

Calendar Year Ended June 30,	Debt Limit	Total net debt applicable to limit	Legal Debt Limit	Total net debt applicable to limit as a percentage of debt limit
2013	\$222,588,905.31		\$222,588,905.31	
2014	214,841,573.39		214,841,573.39	
2015	205,302,309.03		205,302,309.03	
2016	203,301,971.91		203,301,971.91	
2017	206,397,842.41		206,397,842.41	
2018	218,830,717.21		218,830,717.21	
2019	227,734,272.80		227,734,272.80	
2020	239,036,171.08		239,036,171.08	
2021	252,265,811.29		252,265,811.29	
2022	252,265,811.29		252,265,811.29	

Source: District records

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

Source: ACFR report Kathy Gaylord/Pam Caporale

CITY OF LINDEN SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>County of Union Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	40,837	\$2,252,854,779.00	\$55,167.00	10.60%
2014	41,061	2,305,575,150.00	56,150.00	9.30%
2015	41,342	2,449,885,578.00	59,259.00	7.30%
2016	41,619	2,553,117,555.00	61,345.00	5.80%
2017	42,263	2,649,763,311.00	62,697.00	5.10%
2018	42,371	2,759,623,230.00	65,130.00	4.80%
2019	42,435	2,898,862,155.00	68,313.00	4.00%
2020	42,388	3,003,825,620.00	70,865.00	11.10%
2021	42,076	2,981,715,740.00	70,865.00	11.10%
2022	42,076	**	**	**

Sources: Population information provided by the NJ Department of Labor and Workforce Development  
Personal income has been estimated based upon the municipal population and per capita personal income presented  
Per capita personal income by municipality estimate based upon the latest Census published by the US Bureau of  
Economic Analysis  
Unemployment data provided by the NJ Department of Labor and Workforce Development

\*\* Not Available

CITY OF LINDEN SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT AND TEN YEARS AGO  
UNAUDITED

Information was not available

CITY OF LINDEN SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
UNAUDITED

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction	515	566	551	572	535	522	515	454.5	456.1	420.5
Regular	214	227	214	195	206	204	198	198	188.5	170
Special education	55	44	49	45	45	42	39	35	34.5	43.5
Vocational	12	12	12	12	12	12	12	12	10	10
Adult/continuing education programs							2	2	2	2
Support Services:										
Tuition	88	96	117	121	111	109	107	88	86	78.5
Student & instruction related services	4	6	6	5	5	4	4	4	5	5
General administration	50	49	49	52	51	55	51	54	45	38
School administrative services	16	20	20	21	20	19	18	18	25	22
Other administrative services	12	12	12	12	12	12.5	12.5	11	11	11
Central services	13	12	12	12	11	10	10	8	8	7
Administrative information technology	71	78	78	76	75	77	77	72	74	86
Plant operations and maintenance	2	2	2	2	2	1.5	1.5	2	2	2
Pupil transportation	22	19	19	17	14	13	12	2	2	2
Other support services										
Child Care	6	6	6	6	6	6	6	5	4	4
<b>Total</b>	<b>1080</b>	<b>1149</b>	<b>1147</b>	<b>1148</b>	<b>1105</b>	<b>1087</b>	<b>1065</b>	<b>963.5</b>	<b>951.1</b>	<b>899.5</b>

Source: District Personnel Records

CITY OF LINDEN SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 UNAUDITED

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Enrollment	6050	6069	6264	6157	6037	5993	6011	6052	6020	5946
Operating Expenditures	\$142,802,720	\$139,837,791	\$140,229,424	\$138,178,736	\$135,377,384	\$126,663,598	\$123,282,700	\$116,161,617	\$118,705,673	\$109,454,407
Cost per Pupil	\$19,069.00	\$18,953.00	\$17,883.00	\$17,475.00	\$16,948.00	\$14,055.00	\$13,767.00	\$15,807.00	\$15,478.00	\$15,348.00
Percentage Change	5.64%	5.95%	6.13%	6.33%	20.58%	2.09%	-12.91%	2.13%	0.85%	15.18%
Teaching Staff	625	676	672	674	655	636	622	652	635	588
Pupil/Teacher Ratio - Elementary	10.47%	8.56%	8.30%	8.04%	7.85%	8.31%	7.23%	7.53%	0.0976	0.103052632
Pupil/Teacher Ratio - Middle School	10.00%	9.09%	9.55%	8.71%	9.16%	10.10%	8.71%	8.33%	0.0804	0.083950817
Pupil/Teacher Ratio - High School	9.09%	8.33%	8.33%	8.33%	8.35%	9.09%	7.69%	7.69%	0.1034	0.097457627
Average Daily Enrollment	5,974.86	5,995.61	6,275.29	6,192.74	6,075.99	6,039.74	5,967.39	6,012.42	5,955.50	5,805.40
Average Daily Attendance	5,537.79	5,644.78	5,904.56	5,833.75	5,728.09	5,700.93	5,664.22	5,696.67	5,708.50	5,649.20
% Change in Daily Enrollment	(0.35%)	(4.46%)	1.33%	0.60%	0.60%	1.21%	(0.75%)	0.96%	2.59%	(3.30%)
Student Attendance %	92.57%	94.15%	93.96%	93.93%	94.27%	94.39%	94.92%	94.75%	95.85%	97.31%

Sources: District records

CITY OF LINDEN SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

District Building	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Elementary</b>										
School 1										
Square Feet	71,750	71,750	71,750	71,750	71,750	71,750	71,750	71,750	71,750	71,750
Capacity (students)	371	371	371	371	371	371	371	371	371	371
Enrollment	391	414	430	449	449	449	437	446	407	390
School 2										
Square Feet	82,102	82,102	82,102	82,102	82,102	82,102	82,102	82,102	82,102	82,102
Capacity (students)	489	489	489	489	489	489	489	489	489	489
Enrollment	601	610	677	636	659	659	611	563	564	493
School 4										
Square Feet	54,886	54,886	54,886	54,886	54,886	54,886	54,886	54,886	54,886	54,886
Capacity (students)	378	378	378	378	378	378	378	378	378	378
Enrollment	428	425	427	434	411	382	404	409	410	391
School 5										
Square Feet	55,475	55,475	55,475	55,475	55,475	55,475	55,475	55,475	55,475	55,475
Capacity (students)	343	343	343	343	343	343	343	343	343	343
Enrollment	285	279	310	315	327	316	327	330	287	298
School 6										
Square Feet	49,465	49,465	49,465	49,465	49,465	49,465	49,465	49,465	49,465	49,465
Capacity (students)	309	309	309	309	309	309	309	309	309	309
Enrollment	342	323	339	370	357	352	342	345	356	368
School 8										
Square Feet	71,220	71,220	71,220	71,220	71,220	71,220	71,220	71,220	71,220	71,220
Capacity (students)	361	361	361	361	361	361	361	361	361	361
Enrollment	316	343	343	348	324	328	294	289	298	317
School 9										
Square Feet	46,550	46,550	46,550	46,550	46,550	46,550	46,550	46,550	46,550	46,550
Capacity (students)	300	300	300	300	300	300	300	300	300	300
Enrollment	307	321	333	341	345	343	358	362	373	358
School 10										
Square Feet	45,290	45,290	45,290	45,290	45,290	45,290	45,290	45,290	45,290	45,290
Capacity (students)	306	306	306	306	306	306	306	306	306	306
Enrollment	254	242	262	270	281	274	280	280	272	279

CITY OF LINDEN SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2022	2021	2020	2016	2015	2014	2013	2012	2011	2010
<b>Middle School</b>										
McManus School										
Square Feet	106,772	106,772	106,772	106,772	106,772	106,772	106,772	106,772	106,772	106,772
Capacity (students)	669	669	669	669	669	669	669	669	669	669
Enrollment	702	684	679	686	727	700	613	613	661	691
Soehl School										
Square Feet	112,140	112,140	112,140	112,140	112,140	112,140	112,140	112,140	112,140	112,140
Capacity (students)	762	762	762	762	762	762	762	762	762	762
Enrollment	690	676	711	679	640	586	623	630	627	660
<b>High School</b>										
Square Feet	254,653	254,653	254,653	254,653	254,653	254,653	254,653	254,653	254,653	254,653
Capacity (students)	1,396	1,396	1,396	1,396	1,396	1,396	1,396	1,396	1,396	1,396
Enrollment	1,736	1,724	1,743	1,695	1,626	1,670	1,758	1,726	1,765	1,754
<b>Other</b>										
Sunnyside Library/ Special Services										
Square Feet	11,536	11,536	11,536	11,536	11,536	11,136	11,136	11,136	11,136	11,136
Field House										
Square Feet	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400	13,400
Maintenance Garage										
Square Feet	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800
Administration building										
Square Feet	10,264	10,264	10,264	10,264	10,264	10,264	10,264	10,264	10,264	10,264

Number of Schools at June 30, 2022  
Elementary = 8  
Middle School = 2  
High School = 1  
Other = 4

Source: District Facilities Office

CITY OF LINDEN - SCHOOL DISTRICT  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
 UNAUDITED

Location	Building Code	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
High School and Academy	50	\$398,752.00	\$281,968.00	\$295,966.00	\$383,613.00	\$522,162.00	\$333,959.00	\$456,905.00	\$586,116.00	\$829,630.00	\$396,356.00
McManus Middle School	60	166,693.00	120,409.00	98,260.00	179,654.00	241,687.00	184,176.00	386,935.00	203,312.00	250,441.00	203,312.00
Soehi Middle School	70	136,948.00	132,500.00	89,520.00	383,519.00	479,546.00	215,089.00	252,044.00	349,855.00	775,756.00	451,329.00
School #1	80	131,273.00	105,660.00	77,563.00	127,258.00	119,502.00	75,536.00	98,683.00	97,060.00	148,523.00	97,060.00
School #2	90	193,692.00	90,995.00	85,486.00	79,283.00	143,345.00	98,623.00	75,967.00	82,522.00	232,176.00	225,853.00
School #4	115	128,198.00	131,308.00	87,283.00	86,705.00	59,502.00	86,485.00	63,876.00	67,329.00	52,806.00	67,329.00
School #5	120	54,694.00	97,105.00	65,280.00	102,456.00	71,458.00	69,689.00	175,947.00	62,318.00	255,646.00	567,704.00
School #6	130	52,900.00	125,220.00	53,655.00	109,689.00	73,502.00	99,074.00	49,047.00	97,060.00	236,509.00	97,060.00
School #8	150	119,742.00	120,261.00	59,687.00	89,469.00	63,502.00	124,642.00	261,065.00	68,719.00	60,436.00	348,719.00
School #9	160	63,387.00	125,289.00	62,315.00	105,233.00	75,502.00	53,499.00	112,774.00	71,060.00	82,382.00	71,060.00
School #10	170	56,596.00	105,833.00	59,283.00	109,283.00	73,502.00	67,301.00	62,521.00	72,065.00	112,636.00	272,065.00
Other Facilities	999	88,602.00	50,480.00	222,445.00	322,907.00	379,212.00	251,471.00	180,801.00	114,626.00	141,198.00	153,626.00
<b>Grand Total</b>		<b>\$1,591,477.00</b>	<b>\$1,487,028.00</b>	<b>\$1,256,723.00</b>	<b>\$2,079,069.00</b>	<b>\$2,302,422.00</b>	<b>\$1,659,544.00</b>	<b>\$2,156,565.00</b>	<b>\$1,872,042.00</b>	<b>\$3,178,139.00</b>	<b>\$2,951,473.00</b>

Source: District Records

CITY OF LINDEN SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2022  
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
New Jersey School Boards Association Insurance Group		
Educational Risk and Insurance Consortium - North (1)		
School Package Policy Declarations		
Property		
Blanket Real and Personal Property	\$500,000,000.00 Per occurrence	\$5,000.00 Per occurrence
Blanket Extra Expense	50,000,000.00	5,000.00 Per occurrence
Blanket Valuable Papers and Records	10,000,000.00	5,000.00 Per occurrence
Demolition and Increased Cost of Construction	25,000,000.00 Per occurrence	
Loss of Rents	Not covered	
Loss of Business Income/Tuition	Not covered	
Builder's Risk	10,000,000.00 Per occurrence	
Fire Department Service Charge	10,000.00	
Arson Reward	10,000.00	
Pollutant Cleanup and Removal	250,000.00	
Fine Arts	Not covered	
Flood Zones (SFHA)	25,000,000.00 Per occurrence/NJSBAIG annual aggregate	500,000.00 Per building 500,000.00 Per building contents
All Other Flood Zones	75,000,000.00 Per occurrence/NJSBAIG annual aggregate	10,000.00 Per member/per occurrence
Earthquake	50,000,000.00 Per occurrence/NJSBAIG annual aggregate	
Terrorism	1,000,000.00 Per occurrence/NJSBAIG annual aggregate	
Electronic Data Processing		
Blanket Hardware /Software	500,000,000.00 Per occurrence	1,000.00 Per occurrence
Blanket Extra Expense	Included	
Special Flood Hazard Area Flood Deductible	annual aggregate	500,000.00 Per building content
All Other Flood Zones Deductible		10,000.00 Per member/per occurrence
Equipment Breakdown:		
Combined Single Limit per Accident for Property Damage and Business Income Sublimits:	100,000,000.00	25,000.00 Per accident for property damage
Property Damage	Included	
Off Premises Property Damage	1,000,000.00	
Business Income	Included	
Extra Expense	10,000,000.00	
Service Interruption	10,000,000.00	
Perishable Goods	1,000,000.00	
Data Restoration	1,000,000.00	
Demolition	1,000,000.00	
Ordinance or Law	1,000,000.00	
Expediting Expenses	1,000,000.00	
Hazardous Substances	1,000,000.00	
Newly Acquired Locations (120 days notice)	1,000,000.00	
Terrorism	Included	
Crime Coverage:		
Public Employee Dishonesty with Faithful Performance	\$250,000.00	\$1,000.00
Theft, Disappearance and Destruction-Loss of Money and Securities On and Off Premises	50,000.00	500.00
Theft, Disappearance and Destruction-Money Orders and Counterfeit Paper Currency	50,000.00	500.00
Forgery or Alteration	250,000.00	1,000.00
Computer Fraud	50,000.00	500.00
Public Officials Bond :		
Kathleen A. Gaylord	500,000.00	
Marnie Hazelton	500,000.00	

CITY OF LINDEN SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2022  
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
Crime Coverage (Continued):		
Comprehensive General Liability		
Bodily Injury and Property Damage	11,000,000.00 Per occurrence	1,000.00 each claim
Products and Completed Operations	11,000,000.00 Annual aggregate	
Sexual Abuse	11,000,000.00 Per occurrence	
Personal Injury and Advertising Injury	11,000,000.00 Per occurrence/NJSBAIG annual aggregate	
Employee Benefits Liability	11,000,000.00 Per occurrence/NJSBAIG annual aggregate	1,000.00 each claim
Premises Medical Payments	10,000.00 Per accident	5,000.00 limit per person
Terrorism	1,000,000.00 Per occurrence/annual NJSBAIG aggregate	N/A
Liability		
Automobile (1)		
Combined Single Limit for Bodily Injury and Property Damage	11,000,000.00 Per accident	1,000.00
Underinsured	1,000,000.00 Combined Single Limit	
Personal Injury Protection	250,000.00	
Medical Payments	10,000.00 Private Passenger Vehicles 5,000.00 All other vehicles	
Terrorism	1,000,000.00 Per occurrence/annual NJSBAIG aggregate	
Garage Keepers	Included	
School Leaders Errors & Omissions Liability Policy		
Coverage A - protection against "loss"/Wrongful Acts	\$4,000,000	15,000.00 each claim
Coverage B - defense costs for specific administrative actions	\$100,000/claim Each policy period 300,000.00 Annual Aggregate	
Workers' Compensation		
Part One	Statutory	
Part Two		
Bodily Injury by Accident	\$2,000,000	
Bodily Injury by Disease	\$2,000,000	
Student Accident		
All Student Coverage - US Fire Co	\$25,000	
Catastrophic Coverage - US Fire Co	\$7,500,000	25,000.00

Source: District Records

**THIS PAGE INTENTIONALLY LEFT BLANK**

**SINGLE AUDIT SECTION**



**SUPLEE, CLOONEY & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300 Fax 908-789-8535

E-mail info@scnco.com

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable President and Members  
of the Board of Education  
City of Linden School District  
County of Union  
Linden, New Jersey 07036

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the City of Linden School District (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated February 21, 2023.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's 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.

# SUPLEE, CLOONEY & COMPANY

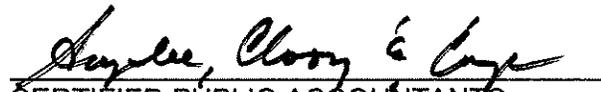
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

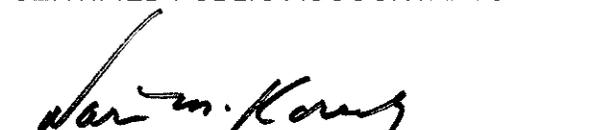
## ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to the Board of Education of the City of Linden School District in a separate Auditor's Management Report on Administrative Findings – Financial and Compliance dated February 21, 2023.

## ***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.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

February 21, 2023



**SUPLEE, CLOONEY & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

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

Honorable President and Members  
of the Board of Education  
City of Linden School District  
County of Union  
Linden, New Jersey 07036

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

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

We have audited the City of Linden School District's, in the County of Union, State of New Jersey (the "District") compliance with the types of compliance requirements described in the Federal *OMB Compliance Supplement* and the New Jersey *OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the City of Linden School District's major federal and state programs for the year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

## SUPLEE, CLOONEY & COMPANY

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.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement 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 or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB State Grant Compliance Supplement, 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 the New Jersey OMB State Grant Compliance Supplement, 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.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement. Accordingly, this report is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

February 21, 2023

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

FEDERAL AWARD I.D. NUMBER	FEDERAL AWARD NUMBER	FEDERAL AWARD TITLE	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2021		CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	BALANCE AT JUNE 30, 2022	
					(ACCOUNTS RECEIVABLE) UNEARNED REVENUE	(ACCOUNTS RECEIVABLE) UNEARNED REVENUE						
93.778	2005NJSUMAP	U.S. Department of Health and Human Services General Fund Passed-through State Department of Education: Medical Assistance Program (SEMI)	07/01/2021 06/30/2022	\$ 267,290.86	\$	\$ 202,767.23	\$ (267,290.86)	\$	\$	\$	\$ (64,523.63)	\$
97.036		U.S. Department of Homeland Security Pass Through State of New Jersey: Disaster Grants- Hurricane IDA	08/26/2021 06/30/2022	133,441.75		133,441.75	(133,441.75)					
84.010	S010A200030	Title I, Part A	07/01/2020 09/30/2021	1,473,021.00	\$ (536,630.95)	\$ 661,074.79	\$ (24,838.69)	\$	\$ 384.85	\$	\$ (496,629.71)	\$
84.010	S010A210030	Title I, Part A	07/01/2021 09/30/2022	1,488,327.00		907,443.00	(1,403,972.71)					
84.013	S013A200030	Title I, Part A	07/01/2020 09/30/2021	42,580.00	(10,242.74)	10,713.17	(470.43)				(5,005.15)	
84.013	S013A210030	Title I, Part A	07/01/2021 09/30/2022	26,988.00		9,521.00	(14,526.15)					
		Total Title I		\$ (546,873.69)	\$ 1,488,751.96	\$ (1,443,807.98)	\$	\$	\$ 384.85	\$ (501,534.86)	\$	\$
84.367A	S367A200029	Title II, Part A	07/01/2020 09/30/2021	240,955.00	\$ (35,252.89)	\$ 35,252.89	\$ (182,395.02)	\$	\$	\$	\$ (88,606.02)	\$
84.367A	S367A210029	Title II, Part A	07/01/2021 09/30/2022	294,570.00		\$ 93,780.00	(182,395.02)					
		Total Title II		\$ (35,252.89)	\$ 129,032.89	\$ (182,395.02)	\$	\$	\$	\$	\$ (88,606.02)	\$
84.365A	S365A200030	Title III	07/01/2020 09/30/2021	145,509.00	\$ (36,308.15)	\$ 66,872.93	\$ (30,564.78)	\$	\$	\$	\$ (14,781.27)	\$
84.365A	S365A210030	Title III	07/01/2021 09/30/2022	154,192.00		42,698.00	(57,479.27)					
84.365A	S365A200030	Title III Immigrant	07/01/2020 09/30/2021	48,413.00	(9,562.82)	10,605.68	(1,042.86)				(1,793.84)	
84.365A	S365A210030	Title III Immigrant	07/01/2021 09/30/2022	31,335.00		29,209.00	(31,002.84)					
		Total Title III		\$ (45,870.97)	\$ 149,365.61	\$ (120,089.75)	\$	\$	\$	\$	\$ (16,575.11)	\$
84.424	S424A200031	Title IV	07/01/2020 09/30/2021	12,056.00	\$ (2,827.97)	\$ 4,149.91	\$ (1,321.94)	\$	\$	\$	\$ (4,841.49)	\$
84.424	S424A210031	Title IV	07/01/2021 09/30/2022	42,481.00		24,872.00	(29,713.49)					
		Total Title IV		\$ (2,827.97)	\$ 29,021.91	\$ (31,035.43)	\$	\$	\$	\$	\$ (4,841.49)	\$
84.048A	V048A210030	Middle Grades Career Awareness & Exploration	07/01/2021 09/30/2022	68,940.00		23,432.00	(61,751.67)				(38,329.67)	
		Total Middle Grades Career Awareness & Exploration		\$	\$ 23,432.00	\$ (61,751.67)	\$	\$	\$	\$	\$ (38,329.67)	\$
84.027	H027A200100	Special Education Cluster	07/01/2020 09/30/2021	1,683,721.00	\$ (672,209.07)	\$ 672,209.07	\$	\$	\$	\$	\$	\$
84.027	H027A210100	I.D.E.A., Part B	07/01/2021 09/30/2022	1,664,317.00		1,023,857.00	(1,642,765.53)				(619,108.53)	
84.027X	H027X210100	ARP - I.D.E.A., Part B	07/01/2021 09/30/2022	330,066.00		4,338.00	(329,030.10)				(324,692.10)	
84.173	H173A200114	I.D.E.A., Part B, Pre School	07/01/2020 09/30/2021	42,356.00	(17,382.00)	17,382.00						
84.173	H173A210114	I.D.E.A., Part B, Pre School	07/01/2021 09/30/2022	42,962.00		26,647.00	(42,962.00)				(16,315.00)	
84.173X	H173X210114	ARP - I.D.E.A., Part B, Pre School	07/01/2021 09/30/2022	28,012.00		1,744,233.07	(28,012.00)				(988,127.63)	
		Total Special Education Cluster		\$ (689,591.07)	\$ 1,744,233.07	\$ (2,042,769.63)	\$	\$	\$	\$	\$ (572,665.71)	\$
84.425D	S425D200027	Education Stabilization Fund	03/13/2020 09/30/2022	993,174.00	\$ (78,383.59)	\$ 314,857.00	\$ (236,473.41)	\$	\$	\$	\$ (440,004.30)	\$
84.425D	S425D210027	CARES - ESSER II	03/13/2020 09/30/2022	3,853,625.00	(1,760,134.00)	2,412,175.00	(1,082,043.30)					
84.425D	S425D200027	ARRA - ESSER II	03/13/2020 09/30/2022	247,306.00		189,873.00	(189,873.00)				(45,000.00)	
84.425D	S425D210027	ARRA - ESSER II - Learning Acceleration	03/13/2020 09/30/2022	8,660,774.00		455,703.00	(45,000.00)				(60,861.41)	
84.425U	S425U210027	ARP - ESSER - Learning Acceleration	03/13/2020 09/30/2024	646,339.00			(27,000.00)				(27,000.00)	
84.425U	S425U200027	ARP - ESSER - Summer Learning & Enrichment	03/13/2020 09/30/2024	44,066.00								
84.425U	S425U210027	ARP - ESSER - Beyond the School Day Activities	03/13/2020 09/30/2024	44,066.00								
84.425U	S425U200027	ARP - ESSER - Mental Health	03/13/2020 09/30/2024	445,613.00		3,372,605.00	(2,106,754.12)				(572,665.71)	
		Total Education Stabilization Fund		\$ (1,838,517.59)	\$ 3,372,605.00	\$ (2,106,754.12)	\$	\$	\$	\$	\$ (572,665.71)	\$
84.287C	S287C200030	Passed-through State Department of Education: 21 Century Teaching	09/01/2020 08/31/2021	425,000.00	\$ (127,696.74)	\$ 189,029.64	\$ (61,437.31)	\$	\$ 104.41	\$	\$ (105,777.53)	\$
84.287C	S287C200030	21 Century Teaching	09/01/2021 08/31/2022	525,000.00		324,993.00	(430,170.63)					
84.287C	S287C210030	21 Century Teaching Supplemental	09/01/2020 08/31/2021	25,000.00	(23,384.31)	23,388.82	(19,635.93)				(18,635.93)	
84.287C	S287C210030	21 Century Teaching Supplemental	09/01/2021 08/31/2022	35,000.00		539,806.46	(511,243.58)				(16,438.12)	
		Total Special Revenue Fund		\$ (3,310,015.23)	\$ 7,476,269.90	\$ (6,499,846.47)	\$	\$	\$ 499.75	\$	\$ (2,333,094.05)	\$

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

FEDERAL AWARD NUMBER	FEDERAL AWARD I.D. NUMBER	FEDERAL ALN NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT PERIOD	BALANCE AT JUNE 30, 2021		CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	BALANCE AT JUNE 30, 2022	
					AWARD AMOUNT	(ACCOUNTS RECEIVABLE) UNEARNED REVENUE					(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE
10.553	211NJ304N1099		Enterprise Fund: U.S. Department of Agriculture Passed-through State Department of Education: Child Nutrition Cluster School Breakfast Program - COVID 19	07/01/2020 06/30/2021	559,548.88	\$ (77,282.96)	\$ 77,282.96	\$ (301,665.38)	\$	\$	\$ (26,888.81)	\$
10.553	221NJ304N1099		School Breakfast Program	07/01/2021 06/30/2022	301,665.38		274,776.57					
10.555	211NJ304N1099		National School Lunch Program - COVID 19	07/01/2020 06/30/2021	894,544.36	(279,787.80)	279,787.80	(2,978,128.00)			(206,636.38)	
10.555	221NJ304N1099		National School Lunch Program	07/01/2021 06/30/2022	2,978,128.00		2,771,291.62					
10.555	211NJ304N1099		National School Lunch Program - HHFKA	07/01/2020 06/30/2021	17,738.84	(2,393.72)	2,393.72				(1,080.00)	
10.555	221NJ304N1099		After School Snack Program	07/01/2021 06/30/2022	13,935.00		12,855.00	(13,935.00)				
10.559	221NJ304N1099		Summer Food Service Program- Food	07/01/2021 08/31/2021	119,211.60		119,211.60	(119,211.60)				
10.559	221NJ304N1099		Summer Food Service Program- Admin	07/01/2021 08/31/2021	9,982.77		9,982.77	(9,982.77)				
10.555	211NJ304N1099		Food Distribution Program	07/01/2020 06/30/2021	140,709.78	9,187.89	246,501.92	(9,187.89)				17,995.17
10.555	221NJ304N1099		Food Distribution Program	07/01/2021 06/30/2022	246,501.92		185,166.56	(228,506.75)				
10.555	202121H170341		Emergency Operational Cost Program- Schools Total Child Nutrition Cluster	07/01/2021 06/30/2022	195,166.56	(545,443.15)	3,989,250.52	(3,660,817.39)			(234,805.19)	17,995.17
10.649	202121S900941		P-EBT Administrative Cost	07/01/2020 06/30/2021	3,063.00	(3,063.00)	3,063.00	(3,135.00)			(3,135.00)	
10.649	202221S900941		P-EBT Administrative Cost	07/01/2021 06/30/2022	3,135.00		3,992,313.52	(3,663,752.39)			(237,940.19)	17,995.17
			Total Enterprise Fund				11,804,792.40	(10,684,333.47)		489.75	(2,659,557.87)	17,995.17
			Total Federal Financial Assistance									-0.00

See accompanying notes to schedules o expenditures of federal awards and state financial assistance.

CITY OF LINDEN - SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE GRANTOR/PROGRAM TITLE State Department of Education General Fund	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2021		CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS OF PRIOR YEARS BALANCES	BALANCE AT JUNE 30, 2022		DUE TO GRANITOR	BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
				(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE					(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE			
State Aid Cluster				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
22-495-034-5120-078	07/01/2021	06/30/2022	\$ 32,049,440.00	\$	\$	\$	\$ 28,849,266.00	\$ (32,049,440.00)	\$ (3,200,174.00)	\$	\$	\$	\$ 3,200,174.00	\$ 32,049,440.00
22-495-034-5120-089	07/01/2021	06/30/2022	\$ 5,173,982.00	\$	\$	\$	\$ 4,654,853.90	\$ (5,173,982.00)	\$ (509,128.20)	\$	\$	\$	\$ 509,128.20	\$ 5,173,982.00
22-495-034-5120-084	07/01/2021	06/30/2022	\$ 2,026,603.00	\$	\$	\$	\$ 1,623,942.79	\$ (2,026,603.00)	\$ (262,660.30)	\$	\$	\$	\$ 262,660.30	\$ 2,026,603.00
				\$	\$	\$	\$ 35,578,185.50	\$ (39,250,025.00)	\$ (3,311,972.50)	\$	\$	\$	\$ 3,911,972.50	\$ 39,250,025.00
22-495-034-5120-014	07/01/2021	06/30/2022	\$ 1,068,441.00	\$	\$	\$	\$ 961,596.90	\$ (1,068,441.00)	\$ (106,844.10)	\$	\$	\$	\$ 106,844.10	\$ 1,068,441.00
22-100-034-5120-473	07/01/2020	06/30/2021	\$ 905,835.00	\$	\$	\$	\$ 894,835.00	\$	\$	\$	\$	\$	\$	\$ 905,835.00
22-100-034-5120-473	07/01/2021	06/30/2022	\$ 760,711.00	\$	\$	\$	\$ 69,372.00	\$ (760,711.00)	\$	\$	\$	\$	\$ 760,711.00	\$ 760,711.00
21-495-034-5120-044	07/01/2020	06/30/2021	\$ 47,812.00	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 47,812.00
22-495-034-5120-044	07/01/2021	06/30/2022	\$ 47,812.00	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 47,812.00
22-495-034-5120-041	07/01/2021	06/30/2022	\$ 331,455.00	\$	\$	\$	\$ 240,133.00	\$ (47,850.00)	\$	\$	\$	\$	\$ 47,850.00	\$ 331,455.00
22-495-034-5120-003	07/01/2021	06/30/2022	\$ 20,657,034.00	\$	\$	\$	\$ 20,657,034.00	\$ (20,657,034.00)	\$	\$	\$	\$	\$	\$ 20,657,034.00
22-495-034-5120-004	07/01/2021	06/30/2022	\$ 20,657,034.00	\$	\$	\$	\$ 20,657,034.00	\$ (20,657,034.00)	\$	\$	\$	\$	\$	\$ 20,657,034.00
22-495-034-5120-001	07/01/2021	06/30/2022	\$ 4,752,249.00	\$	\$	\$	\$ 4,752,249.00	\$ (4,752,249.00)	\$	\$	\$	\$	\$	\$ 4,752,249.00
22-495-034-5120-002	07/01/2021	06/30/2022	\$ 7,605.00	\$	\$	\$	\$ 7,605.00	\$ (7,605.00)	\$	\$	\$	\$	\$	\$ 7,605.00
22-495-034-5120-003	07/01/2021	06/30/2022	\$ 3,922,988.81	\$	\$	\$	\$ 192,763.25	\$ (3,922,988.81)	\$ (9,596.75)	\$	\$	\$	\$ 9,596.75	\$ 3,922,988.81
22-100-034-5120-003	07/01/2020	06/30/2021	\$ 3,933,069.94	\$	\$	\$	\$ 3,923,473.18	\$ (3,933,069.94)	\$ (14,018,816.00)	\$	\$	\$	\$ 14,018,816.00	\$ 3,933,069.94
22-100-034-5120-003	07/01/2021	06/30/2022	\$ 3,933,069.94	\$	\$	\$	\$ 66,971,223.83	\$ (70,400,094.94)	\$ (14,018,816.00)	\$	\$	\$	\$ 14,018,816.00	\$ 3,933,069.94
				\$	\$	\$	\$ 66,971,223.83	\$ (70,400,094.94)	\$ (14,018,816.00)	\$	\$	\$	\$ 14,018,816.00	\$ 3,933,069.94
Total State Department of Education - General Fund			\$ 3,020,266.00	\$	\$	\$	\$ 302,015.40	\$ (3,020,266.00)	\$ (302,019.40)	\$	\$	\$	\$ 302,019.40	\$ 3,020,266.00
21-485-034-5120-086	07/01/2020	06/30/2021	\$ 2,498,996.00	\$	\$	\$	\$ 2,241,903.60	\$ (2,766,269.09)	\$ 249,052.40	\$	\$	\$	\$ 249,052.40	\$ 2,498,996.00
22-485-034-5120-086	07/01/2021	06/30/2022	\$ 141,912.00	\$	\$	\$	\$ 2,741.00	\$	\$	\$	\$	\$	\$ 2,741.00	\$ 141,912.00
22-100-034-5120-519	07/01/2021	06/30/2022	\$ 5,213.00	\$	\$	\$	\$	\$ (5,213.00)	\$	\$	\$	\$	\$	\$ 5,213.00
21-100-034-5120-067	07/01/2020	06/30/2021	\$ 2,439.00	\$	\$	\$	\$	\$ (1.00)	\$	\$	\$	\$	\$	\$ 2,439.00
21-100-034-5120-067	07/01/2021	06/30/2022	\$ 45,696.00	\$	\$	\$	\$ 7,399.00	\$ (1,706.17)	\$	\$	\$	\$	\$ 1,706.17	\$ 45,696.00
22-100-034-5120-066	07/01/2021	06/30/2022	\$ 2,590.00	\$	\$	\$	\$ 2,478.00	\$ (2,185.00)	\$	\$	\$	\$	\$ 2,185.00	\$ 2,590.00
22-100-034-5120-066	07/01/2020	06/30/2021	\$ 2,734.00	\$	\$	\$	\$	\$ (247.53)	\$	\$	\$	\$	\$	\$ 2,734.00
22-100-034-5120-066	07/01/2021	06/30/2022	\$ 19,530.00	\$	\$	\$	\$ 19,530.00	\$ (1,874.00)	\$	\$	\$	\$	\$ 1,874.00	\$ 19,530.00
22-100-034-5120-070	07/01/2021	06/30/2022	\$ 2,898.00	\$	\$	\$	\$ 2,898.00	\$ (2,871.00)	\$	\$	\$	\$	\$ 2,871.00	\$ 2,898.00
22-100-034-5120-373	07/01/2021	06/30/2022	\$ 17,150.00	\$	\$	\$	\$ 12,075.00	\$ (6,587.00)	\$	\$	\$	\$	\$ 6,587.00	\$ 17,150.00
21-100-034-5120-509	07/01/2020	06/30/2021	\$ 5,987.00	\$	\$	\$	\$ 4,141.00	\$ (11,130.00)	\$ (5,987.00)	\$	\$	\$	\$ 5,987.00	\$ 5,987.00
22-100-034-5120-064	07/01/2020	06/30/2021	\$ 27,280.00	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 27,280.00
22-100-034-5120-064	07/01/2021	06/30/2022	\$ 27,280.00	\$	\$	\$	\$ 4,141.00	\$	\$	\$	\$	\$	\$ 4,141.00	\$ 27,280.00
Anti Bullying Bill of Rights Act- PY CO			\$ 27,280.00	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 27,280.00
Total Special Revenue Fund			\$ 652,210.00	\$	\$	\$	\$ 2,790,511.00	\$ (2,783,996.09)	\$ (74,698.00)	\$	\$	\$	\$ 74,698.00	\$ 652,210.00
21-100-010-3350-023	07/01/2020	06/30/2021	\$ 28,426.68	\$	\$	\$	\$ 8,719.98	\$	\$	\$	\$	\$	\$	\$ 28,426.68
22-100-010-3350-023	07/01/2021	06/30/2022	\$ 70,008.86	\$	\$	\$	\$ 65,248.79	\$ (70,008.86)	\$ (4,760.07)	\$	\$	\$	\$ 4,760.07	\$ 70,008.86
Total State Department of Agriculture - Enterprise Fund			\$ 98,435.54	\$	\$	\$	\$ 73,968.77	\$ (70,008.86)	\$ (4,760.07)	\$	\$	\$	\$ 4,760.07	\$ 98,435.54
Total State Financial Assistance Subject to OMB 15-06			\$ 622,817.83	\$	\$	\$	\$ 89,835,703.80	\$ (73,254,001.89)	\$ (4,693,812.80)	\$	\$	\$	\$ 4,693,812.80	\$ 622,817.83
21-100-010-3350-023	07/01/2020	06/30/2021	\$ 20,057,034.00	\$	\$	\$	\$ 20,057,034.00	\$ (20,057,034.00)	\$	\$	\$	\$	\$	\$ 20,057,034.00
22-100-010-3350-023	07/01/2021	06/30/2022	\$ 282,977.00	\$	\$	\$	\$ 282,977.00	\$ (282,977.00)	\$	\$	\$	\$	\$	\$ 282,977.00
On-behalf TPAF Non-Contributory Insurance			\$ 4,752,249.00	\$	\$	\$	\$ 4,752,249.00	\$ (4,752,249.00)	\$	\$	\$	\$	\$	\$ 4,752,249.00
On-behalf TPAF Post Retirement Medical Contributions			\$ 7,605.00	\$	\$	\$	\$ 7,605.00	\$ (7,605.00)	\$	\$	\$	\$	\$	\$ 7,605.00
On-behalf TPAF Long Term Disability Insurance			\$ 44,735,838.50	\$	\$	\$	\$ 44,735,838.50	\$ (44,735,838.50)	\$	\$	\$	\$	\$	\$ 44,735,838.50
Total State Financial Assistance Subject to State Audit			\$ 148,154,138.89	\$	\$	\$	\$ 148,154,138.89	\$ (148,154,138.89)	\$	\$	\$	\$	\$	\$ 148,154,138.89

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

**City of Linden School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2022**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Linden School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financials assistance.

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under Uniform Guidance.

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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 GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**City of Linden School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2022**

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$765,773.00 for the general fund. The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$321,777.43) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$400,732.61	\$69,634,321.94	\$70,035,054.55
Special Revenue Fund	6,756,200.25	2,849,323.74	9,605,523.99
Food Service Fund	3,663,752.39	70,008.86	3,733,761.25
	<u>\$10,820,685.25</u>	<u>\$72,553,654.54</u>	<u>\$83,374,339.79</u>
GAAP Adjustment	(256,351.78)	700,347.35	443,995.57
Total Awards & Financial Assistance	<u>\$10,564,333.47</u>	<u>\$73,254,001.89</u>	<u>\$83,818,335.36</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: OTHER**

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

**City of Linden School District**  
**Union County, New Jersey**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2022**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |     |  |            |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued:   | Unmodified |
| (2) | Internal Control Over Financial Reporting:   |            |
|     | (a) Material weakness(es) identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No         |
| (3) | Noncompliance material to the basic financial Statements noted?                            | No         |

**Federal Awards**

- |     |  |            |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs:  |            |
|     | (a) Material weaknesses identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses?                             | No         |
| (2) | Type of Auditor’s Report issued on compliance for major federal Programs:  | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516a of the Uniform Guidance | No         |
| (4) | Identification of Major Federal Program(s):  |            |

<u>Program</u>	<u>ALN</u>
Education Stabilization Fund:	
CARES - ESSERF	84.425D
CARES - ESSER II	84.425D
ARP ESSER	84.425U
 Title I, Part A	 84.010
 21 Century Teaching	 84.287C

**City of Linden School District**  
**Union County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2022**

**Section I – Summary of Auditor’s Results (Continued)**

**Federal Awards (Continued)**

- |     |  |              |
|-----|--|--------------|
| (5) | Dollar Threshold used to distinguish between type A and Type B programs? | \$750,000.00 |
| (6) | Auditee qualified as a low-risk auditee under the Uniform Guidance?      | Yes          |

**State Program(s)**

- |     |  |            |
|-----|--|------------|
| (1) | Internal Control Over Major State Programs:  |            |
|     | (a) Material weaknesses identified?  | No         |
|     | (b) Significant that are not considered to be material weaknesses?   | No         |
| (2) | Type of Auditor’s Report issued on compliance for major state program(s)?  | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08 and listed in Section III of this schedule? | No         |

- (4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
State Aid Cluster:	
Equalization Aid	22-495-034-5120-078
Special Education Categorical Aid	22-495-034-5120-089
Security Aid	22-495-034-5120-084
 Categorical Transportation Aid	 22-495-034-5120-014

- |     |  |                |
|-----|--|----------------|
| (5) | Dollar Threshold used to distinguish between type A and Type B programs? | \$1,444,624.00 |
| (6) | Auditee qualified as a low-risk auditee?                                 | Yes            |

**City of Linden School District**  
**Union County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2022**

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings**

None Reported

**Compliance Findings**

None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

**Federal Programs** – None Reported

**State Programs** – None Reported

**City of Linden School District**  
**Union County, New Jersey**  
**Summary Schedule of Prior Audit Findings**

**Status of Prior Year Audit Findings**

None



