

**Annual Comprehensive  
Financial Report**

**of the**

**City of Atlantic City Board of Education**

**Atlantic County, New Jersey**

**For the Fiscal Year Ended June 30, 2023**



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# **Introductory Section**





**ATLANTIC CITY BOARD OF EDUCATION**  
1300 Atlantic Avenue – 5<sup>th</sup> Floor, Atlantic City, NJ 08401  
(609) 343-7200 ext. 5038 Fax (609) 347-1549

February 5, 2024

Honorable President and  
Members of the Board of Education  
City of Atlantic City School District  
Atlantic City, New Jersey

Dear Board Members of the Atlantic City Board of Education:

The annual comprehensive financial report of the Atlantic City School District for the fiscal year which ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the financial statements and schedules, as well as the auditor's reports therein. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the US. Office of Management and Budget Circular Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*, and the New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. 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:** The Atlantic City School District is an independent reporting entity as set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The Atlantic City Board of Education and all its schools constitute the District's reporting entity.

The Atlantic City School District is made up of nine elementary schools, one preschool, one grades 9 through 12 high school. In addition to attending the schools within the district, many students are placed out-of-district for special education, alternative and adult school programs. Included with the high school enrollment are students sent from the neighboring communities of Brigantine, Ventnor, Margate and Longport on a tuition basis.

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

**2) ECONOMIC CONDITION AND OUTLOOK:** The Atlantic City Board of Education increased surplus during the 2022-2023 fiscal year. This fund balance is infused into the budget to help stabilize the tax levy. The combination of the Local Tax Levy and Casino PILOT represents approximately 33% of the total revenue supporting the general fund for the 2022-2023 fiscal year.

The Board has taken significant steps to ensure that sufficient funds are retained in its fiscal year-end budget to meet its obligation in future years.

**3) INTERNAL ACCOUNTING CONTROLS:** Management of the District requires establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principle (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 the District management.

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

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

**4) 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 District. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital project 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-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30th.

**5) 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.

**6) DEBT ADMINISTRATION:** At June 30, 2023 the District's outstanding debt issues totaled \$46,799,000.00 of general obligation bonds.

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

**8) RISK MANAGEMENT:** The Board carries various forms of insurance, including, but not limited to, general liability, hazard insurance on property and contents, errors and omissions as well as automobile liability and comprehensive/collision. Key employees hold fidelity bonds. The district has a self-funded workers compensation insurance program.

**9) OTHER INFORMATION:**

**A) Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Ford, Scott & Associates, LLC CPAs. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**10) ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Atlantic City Board for their diligence in providing accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of District's goals and objectives. The preparation of this report could not have been accomplished without the dedicated services of our financial and accounting staff.

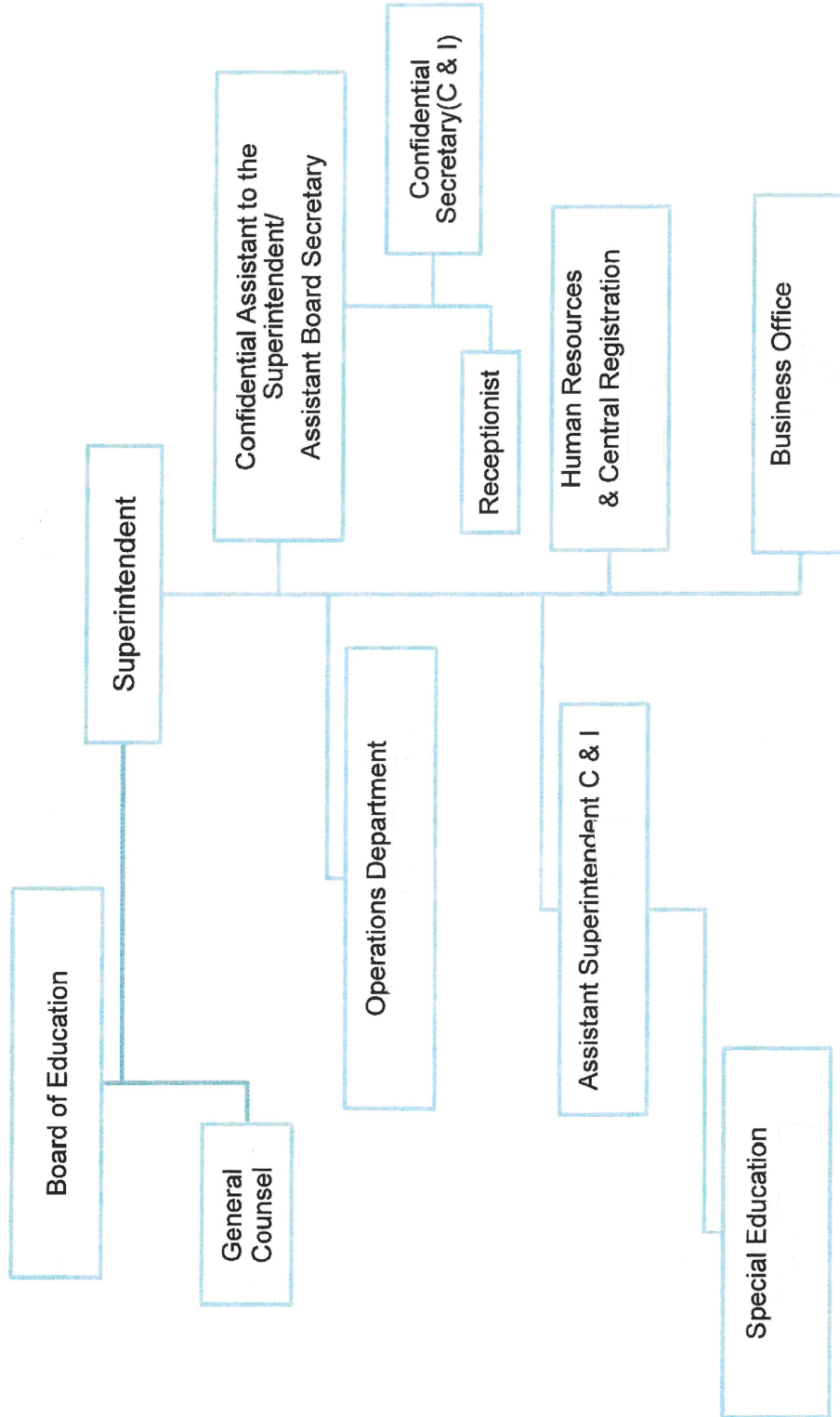
Respectfully submitted,

*La'Quetta S. Small*  
Dr. La'Quetta S. Small  
Superintendent of Schools

*Celeste Ricketts*  
Celeste Ricketts  
Business Administrator



# ATLANTIC CITY BOARD OF EDUCATION



**CITY OF ATLANTIC CITY  
BOARD OF EDUCATION  
COUNTY OF ATLANTIC, NEW JERSEY**

**ROSTER OF OFFICIALS  
AS OF JUNE 30, 2023**

**MEMBERS OF BOARD OF EDUCATION**

Shay Steele, President  
Patricia Bailey, Vice President  
Ruth Byard  
Subrata Chowdhury  
Walter Johnson  
Hollisha Bridgers  
Kashawn McKinley

**STATE APPOINTED MONITOR**

Carole Morris

**SUPERINTENDENT**

Dr. La'Quetta S. Small

**BUSINESS ADMINISTRATOR**

Celeste Ricketts

**BOARD SECRETARY**

Angela Brown

**TREASURER OF SCHOOL MONIES**

Joanne M. Shepherd

**CITY OF ATLANTIC CITY  
BOARD OF EDUCATION  
COUNTY OF ATLANTIC, NEW JERSEY**

**CONSULTANTS AND ADVISORS  
AS OF JUNE 30, 2023**

**INDEPENDENT AUDITOR**

Ford, Scott & Associates, LLC  
Certified Public Accountants  
1535 Haven Avenue  
Ocean City, NJ 08226

**ATTORNEY**

Tracy Riley – Law Offices of Riley & Riley  
2 Eves Drive – Suite 109  
Marlton, NJ 08053

**BOND COUNSEL**

McManimon, Scotland & Baumann, LLC  
75 Livingston Avenue  
Roseland, NJ 07068

**OFFICIAL DEPOSITARY**

Ocean First Bank





## **Financial Section**





# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

[www.ford-scott.com](http://www.ford-scott.com)

## **Independent Auditor's Report**

Honorable President and  
Members of the Board of Education  
City of Atlantic City School District  
County of Atlantic, New Jersey

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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atlantic City School District, in the County of Atlantic, New Jersey, as of and for the year ended June 30, 2023, 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, each major fund, and the aggregate remaining fund information of the City of Atlantic City School District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 misstatements, 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 City of Atlantic City School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- exercise professional judgement 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 the 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 entity'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Atlantic City School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections 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 non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2024 on our consideration of the City of Atlantic City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 City of Atlantic City School District's internal control over financial reporting and compliance.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*  
Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

February 5, 2024



## **Required Supplementary Information – Part I**





**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED**

The discussion and analysis of City of Atlantic City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2023 are as follows:

- In total, net position increased \$28,102,407.43, which represents a 18 percent increase from 2022. There was a positive change in net position of \$50,802,178.72 prior to a negative fixed asset adjustment of \$22,699,771.29, resulting in the net increase of \$28,102,407.43. The overall increase is due to significant increases in funding from state and federal sources.
- General revenues accounted for \$198,183,157.33 in revenue or 76 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$61,568,443.14 or 24 percent of total revenues of \$259,751,600.47.
- Total governmental assets increased by \$49,664,481.34 as Cash and cash equivalents increased by \$45,571,625.96, and receivables increased by \$2,736,235.27.
- The School District had \$208,949,421.75 in expenses; \$61,568,443.14 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$198,183,157.33 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$233,627,359.74 in revenues and \$189,540,708.96 in expenditures. The General Fund's fund balance increased \$39,111,650.78 from 2022.

**Using this Annual Comprehensive Financial Report (ACFR)**

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

The Statement of Net Position and Statement of Changes in Net Position provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of City of Atlantic City School District, the General Fund is by far the most significant fund.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Reporting the School District as a Whole**

Statement of Net Position and the Statement of Changes in Net Position

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Changes in Net Position answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses.

This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

**Reporting the School District's Most Significant Funds**

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Permanent Fund.

Governmental Funds

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**Notes to the Financial Statements**

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

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

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

Table 1 provides a summary of the School District's net assets for 2023 and 2022.

**Table 1  
Net Position**

	2023	2022
<b>Assets</b>		
Current and Other Assets	\$ 174,756,300.13	\$ 126,665,510.93
Capital Assets	114,872,501.68	138,374,093.99
Total Assets	289,628,801.81	265,039,604.92
<b>Deferred Outflow of Resources</b>		
Loss of Refunding of Long Term Debt	-	-
Deferred Outflows Related to Pensions	1,454,289.00	658,006.00
	1,454,289.00	658,006.00
<b>Liabilities</b>		
Long-Term Liabilities	73,425,844.63	71,468,128.03
Other Liabilities	27,633,010.98	22,585,421.12
Total Liabilities	101,058,855.61	94,053,549.15
<b>Deferred Inflows of Resources</b>		
Deferred Inflows Related to Pensions	6,520,033.00	16,242,267.00
<b>Net Position</b>		
Invested in Capital Assets, Net of Debt	65,415,515.38	85,778,786.92
Restricted	154,178,512.09	99,851,989.15
Unrestricted	(36,089,825.27)	(30,228,981.30)
Total Net Position	\$ 183,504,202.20	\$ 155,401,794.77

The District's combined net position was \$183,504,202.20 on June 30, 2023. This was an increase of \$28,102,407.43 from the prior year.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

Table 2 shows changes in net assets for fiscal years 2023 and 2022.

**Table 2  
Changes in Net Position**

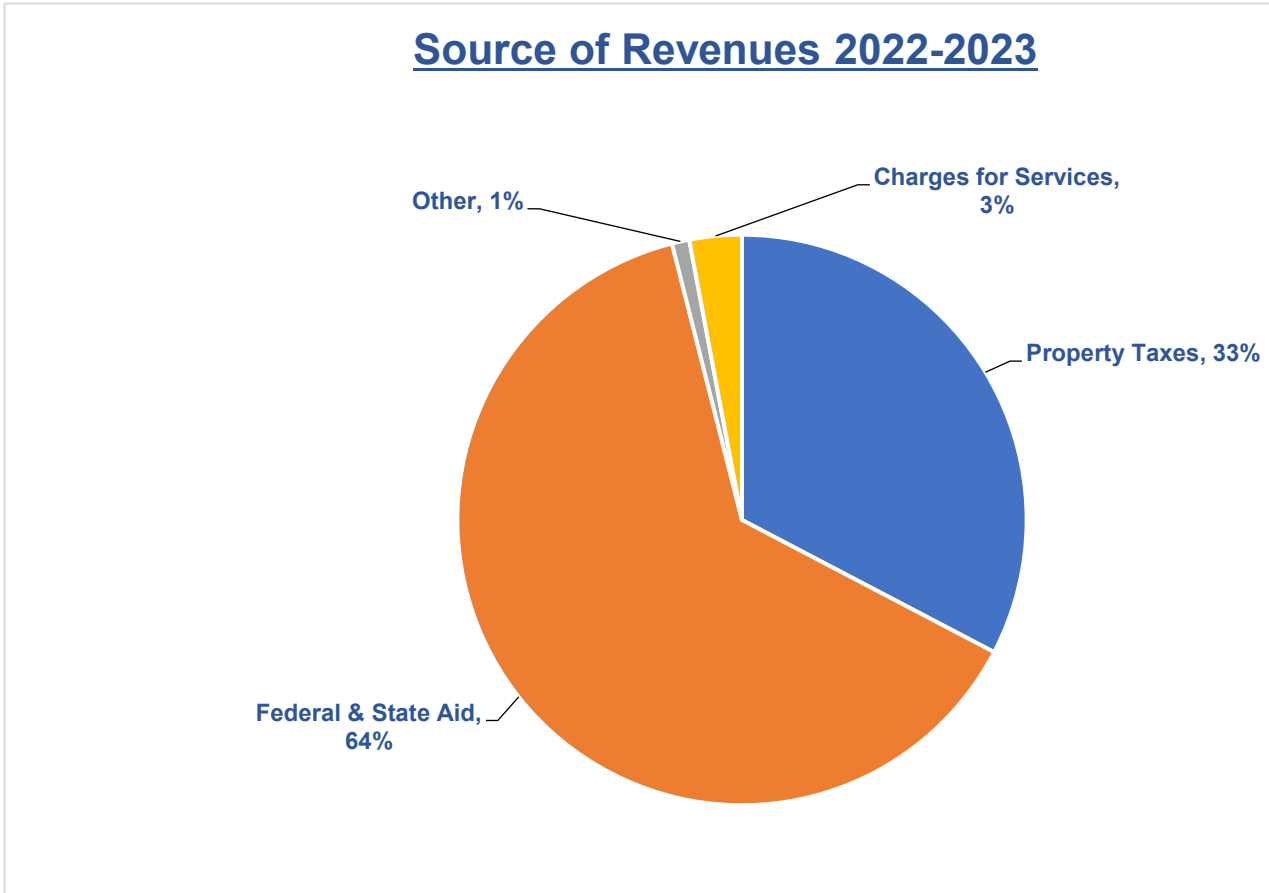
	2023	2022
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 6,052,768.17	\$ 6,401,809.12
Operating Grants and Contributions	55,515,674.97	48,498,815.63
General Revenues:		
Property Taxes	82,033,588.00	85,973,474.00
Grants and Entitlements	114,824,061.09	90,868,594.41
Other	1,325,508.24	1,994,688.42
Total Revenues	259,751,600.47	233,737,381.58
<b>Program Expenses</b>		
Instruction	116,633,850.21	109,022,015.64
Support Services:		
Tuition	18,266,923.53	16,654,651.10
Related Services - Pupils and Instructional Staff	29,671,220.14	27,671,198.17
General Administration, School Administration	9,182,033.20	7,458,947.80
Central Services and Maintenance of Facilities	19,048,914.11	15,983,976.89
Pupil Transportation	7,250,716.76	6,709,181.89
Interest on Debt	2,056,266.06	1,923,078.11
Food Service	6,833,719.87	6,632,929.78
Reading Recovery	5,777.87	3,190.00
Total Expenses	208,949,421.75	192,059,169.38
Adjustment to Fixed Assets	(22,699,771.29)	-
Increase in Net Position	\$ 28,102,407.43	\$ 41,678,212.20

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**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Governmental Activities**

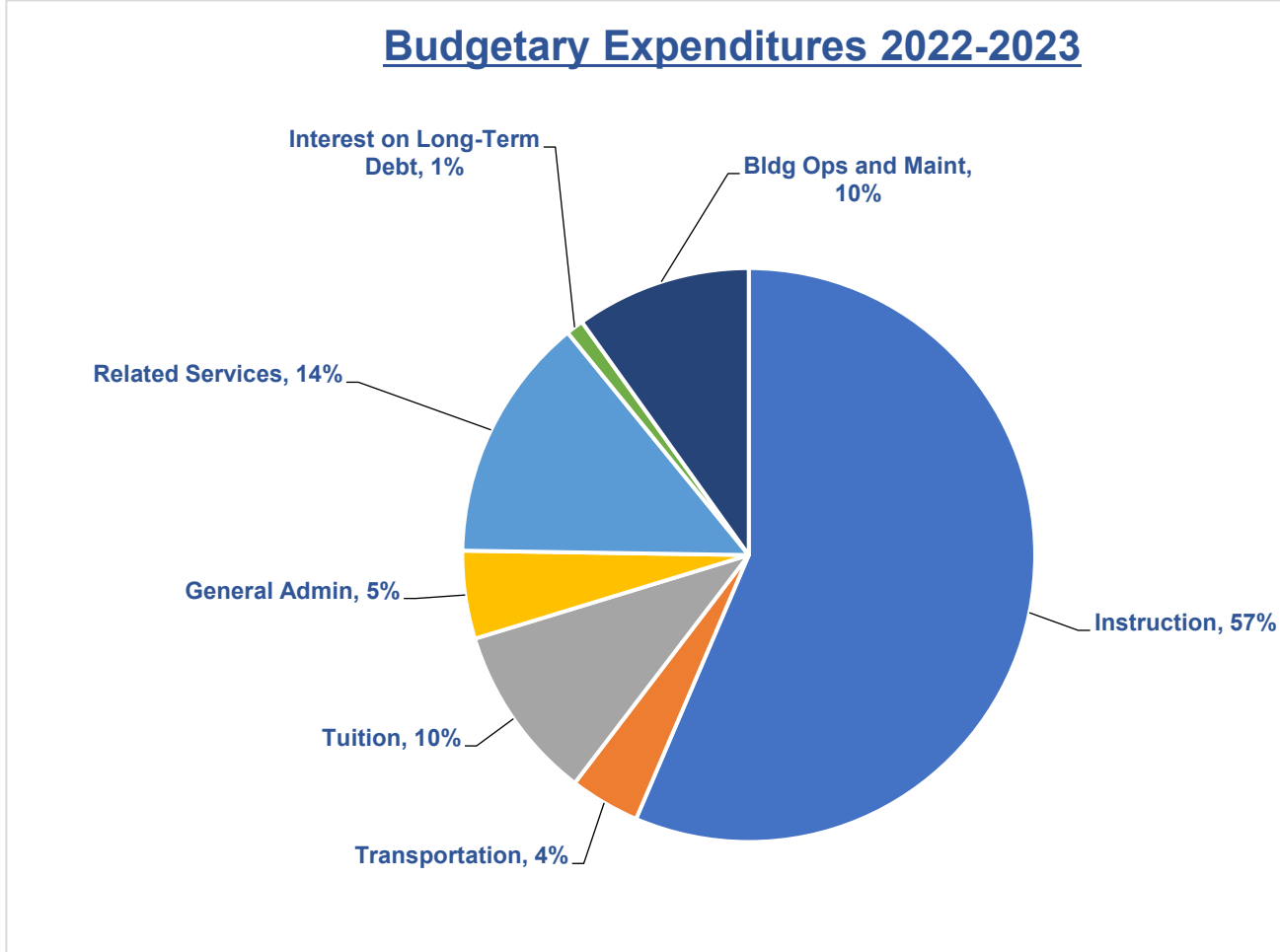
Property taxes made up 33 percent of revenues for governmental activities for the School District for fiscal year 2023. Federal, state, and local grants accounted for another 64 percent of revenue. The District's total revenues for governmental activities were \$252,897,654.28 for the year ended June 30, 2023.



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**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

The total cost of all programs and services was \$208,949,421.75. Instruction comprises 58 percent of District expenses.



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**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Business-Type Activities**

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements.

- Revenues exceeded expenses by \$14,448.45.
- Charges for services represent \$359,578.72 of revenue. This represents amounts paid by patrons for daily food service fees.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$6,494,367.47.

**Governmental Activities**

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

**Table 3**

	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>
Instruction	\$ 116,633,850.21	\$ 76,985,203.78	\$ 109,022,015.64	\$ 74,106,894.94
Support Services:				
Tuition	18,266,923.53	18,266,923.53	16,654,651.10	16,654,651.10
Pupils and Instructional Staff	29,671,220.14	16,300,134.23	27,671,198.17	14,866,700.81
General Administration, School Administration	9,182,033.20	9,055,552.59	7,458,947.80	7,837,557.16
Business Operation & Maintenance of Facilities	19,048,914.11	17,868,406.11	15,983,976.89	16,361,513.88
Pupil Transportation	7,250,716.76	7,250,716.76	6,709,181.89	6,709,181.89
Interest and Fiscal Charges	2,056,266.06	1,668,490.06	1,923,078.11	1,431,281.11
Total Expenses	<u>\$ 202,109,924.01</u>	<u>\$ 147,395,427.06</u>	<u>\$ 185,423,049.60</u>	<u>\$ 137,967,780.89</u>

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

Tuition is predominately made up of charges from other schools for special education students.

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

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

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

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

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund, debt service fund and permanent fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues, not including other financing sources amounted to \$267,170,403.28 and expenditures were \$223,669,396.85. The net increase in fund balance for the year was \$43,501,006.43. This reflects the District's budgeted use of fund balance, the deferral of the final state aid payment, and the expenditure of Capital Project Funds for construction costs and the proceeds of bonds issued during the year.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2023, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2022</u>	<u>Percent of Increase (Decrease)</u>
Local Sources	\$ 89,374,264.92	33.45%	\$ (4,995,078.30)	-5.29%
State Sources	154,928,718.44	57.99%	21,968,274.66	16.52%
Federal Sources	22,867,419.92	8.56%	7,546,416.38	49.26%
Total	<u>\$ 267,170,403.28</u>	<u>100.00%</u>	<u>\$ 24,519,612.74</u>	<u>10.10%</u>

Local revenues decreased by \$4,995,078.30. The net decrease in local revenue was largely due to a decrease in the local tax levy from 2022.

State Sources increased \$21,968,274.66 due to a significant increase in Equalization Aid from the prior year.

Federal Sources increased by \$7,546,416.38. The increase is attributed to increases in Title I, and ESSER II funding.

The following schedule represents a summary of general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2023, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2022</u>	<u>Percent of Increase (Decrease)</u>
Current expense:				
Instruction	\$ 84,512,874.90	37.78%	\$ 6,926,366.11	8.93%
Undistributed expenditures	130,310,590.85	58.26%	6,850,135.73	5.55%
Capital Outlay	3,814,453.60	1.71%	(3,113,893.04)	-44.94%
Debt Service	5,031,477.50	2.25%	(41,053.00)	-0.81%
Total	<u>\$ 223,669,396.85</u>	<u>100.00%</u>	<u>\$ 10,621,555.80</u>	<u>4.99%</u>

Instructional expenses increase was predominantly due to an increase in expenses for Special Education Instruction.

Undistributed expenses increased due to increases in tuition and student instruction and related services.

Capital outlay decreased according to changes in required purchases for various capital projects and purchases. This expense is expected to vary from year to year according to capital needs.



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**General Fund Budgeting Highlights**

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line-item accounts.

**Capital Assets**

At the end of the fiscal year 2023, the School District had \$112,214,515.38 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2023 balances compared to 2022.

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

	<b>2023</b>	<b>2022</b>	
Land	\$ 17,817,780.00	\$ 17,817,780.00	
Construction in Progress	854,680.38	-	
Building and Building Improvements	86,708,100.00	113,446,995.89	
Machinery and Equipment	6,833,955.00	4,435,011.03	
Total	\$ 112,214,515.38	\$ 135,699,786.92	

Overall capital assets decreased \$23,485,271.54 from fiscal year 2022 to fiscal year 2023. While there was an increase of \$854,680.38 in construction in progress, there was a negative fixed assets adjustment of \$22,699,771.29 for the year ended June 30, 2023, as shown in the Statement of Changes in Net Position.

**Debt Administration**

At June 30, 2023, the School District had \$49,921,000.00 of outstanding debt.

**Table 5  
Outstanding Bonded Debt at June 30,**

	<b>2023</b>	<b>2022</b>	
2021 Refunding School Bonds	\$ 14,380,000.00	\$ 15,415,000.00	
2019 General Obligation Refunding Bonds	32,419,000.00	34,506,000.00	
Total	\$ 46,799,000.00	\$ 49,921,000.00	

At June 30, 2023, the School District is within its legal debt capacity.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**For the Future**

The City of Atlantic City School District continues to deal with a significant decrease in rateables due to the closing of several gaming properties over the last few years. However, the School District is proud of its community support of the public schools. Another major concern is the lack of sufficient state aid, which increases reliance on local property taxes.

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

**Contacting the School District's Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Celeste Ricketts, Business Administrator, at the City of Atlantic City School District, 1300 Atlantic Avenue, Atlantic City, NJ 08401.

# **Basic Financial Statements**



## DISTRICT – WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of changes in net position 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 ATLANTIC CITY SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 135,768,300.35	\$ 1,942,578.31	\$ 137,710,878.66
Receivables, Net	36,571,570.90	396,749.99	36,968,320.89
Inventory		77,100.58	77,100.58
Right of Use Asset	2,657,986.30		2,657,986.30
Capital Assets, not Depreciated	18,672,460.38		18,672,460.38
Capital Assets, Net	92,410,951.00	1,131,104.00	93,542,055.00
<b>Total Assets</b>	<b>286,081,268.93</b>	<b>3,547,532.88</b>	<b>289,628,801.81</b>
Deferred Outflow of Resources			
Deferred Outflows Related to Pensions	1,454,289.00		1,454,289.00
<b>Total Deferred Outflow of Resources</b>	<b>1,454,289.00</b>	<b>-</b>	<b>1,454,289.00</b>
<b>LIABILITIES</b>			
Accounts Payable	16,797,168.42	-	16,797,168.42
Workers Compensation Claims Payable	4,005,688.93		4,005,688.93
Deferred Revenue	2,094,047.91	-	2,094,047.91
Due to the State	27,558.62		27,558.62
Accrued Interest	623,323.43		623,323.43
Noncurrent Liabilities			
Due Within One Year	4,085,223.67		4,085,223.67
Due Beyond One Year	47,644,412.63		47,644,412.63
Net Pension Liability	25,781,432.00		25,781,432.00
<b>Total Liabilities</b>	<b>101,058,855.61</b>	<b>-</b>	<b>101,058,855.61</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	6,520,033.00	-	6,520,033.00
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	64,284,411.38	1,131,104.00	65,415,515.38
Restricted for:			
Capital Projects	105,238,444.81		105,238,444.81
Maintenance	8,002,000.00		8,002,000.00
Other Purposes	40,938,067.28		40,938,067.28
Unrestricted	(38,506,254.15)	2,416,428.88	(36,089,825.27)
<b>Total Net Position</b>	<b>\$ 179,956,669.32</b>	<b>\$ 3,547,532.88</b>	<b>\$ 183,504,202.20</b>

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Statement of Changes in Net Position**  
**For the Year Ended June 30, 2023**

Function/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			
	Direct Expenses	Allocated Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>								
<b>Instruction:</b>								
Regular	\$ 38,895,128.66	\$ 23,213,049.02	\$ 5,693,189.45	\$ 8,161,636.59	\$ -	\$ (48,253,351.64)	\$ -	\$ (48,253,351.64)
Special Education	26,557,919.83	15,850,064.42		24,201,434.80		(18,206,549.45)		(18,206,549.45)
Other Special Instruction	7,588,679.34	4,529,008.94		1,592,385.59		(10,525,302.69)		(10,525,302.69)
<b>Support Services:</b>								
Tuition	18,266,923.53					(18,266,923.53)		(18,266,923.53)
Student & Instruction Related Services	18,581,545.42	11,089,674.72		13,371,085.91		(16,300,134.23)		(16,300,134.23)
General Administrative Services	2,653,033.67	636,595.92		45,313.97		(3,244,315.62)		(3,244,315.62)
School Administrative Services	4,752,129.29	1,140,274.32		81,166.64		(5,811,236.97)		(5,811,236.97)
Plant Operation and Maintenance	13,541,253.63	3,249,226.36		231,285.38	918,113.16	(15,641,081.45)		(15,641,081.45)
Pupil Transportation	7,250,716.76					(7,250,716.76)		(7,250,716.76)
Central and Info. Tech. Services	1,821,391.00	437,043.12		31,109.46		(2,227,324.66)		(2,227,324.66)
Unallocated Benefits	55,441,129.82	(55,441,129.82)				(0.00)		(0.00)
Unallocated Depreciation	4,703,807.00	(4,703,807.00)						
Interest on Long-Term Debt	2,056,266.06			387,776.00		(1,668,490.06)		(1,668,490.06)
<b>Total Governmental Activities</b>	<b>202,109,924.01</b>	<b>(0.00)</b>	<b>5,693,189.45</b>	<b>48,103,194.34</b>	<b>918,113.16</b>	<b>(147,395,427.06)</b>	<b>-</b>	<b>(147,395,427.06)</b>
<b>Business-Type Activities:</b>								
Food Service	6,833,719.87		359,578.72	6,494,367.47		-	20,226.32	20,226.32
Reading Recovery	5,777.87						(5,777.87)	(5,777.87)
<b>Total Business-Type Activities</b>	<b>6,839,497.74</b>	<b>-</b>	<b>359,578.72</b>	<b>6,494,367.47</b>	<b>-</b>	<b>-</b>	<b>14,448.45</b>	<b>14,448.45</b>
<b>Total Primary Government</b>	<b>\$ 208,949,421.75</b>	<b>\$ (0.00)</b>	<b>\$ 6,052,768.17</b>	<b>\$ 54,597,561.81</b>	<b>\$ 918,113.16</b>	<b>\$ (147,395,427.06)</b>	<b>\$ 14,448.45</b>	<b>\$ (147,380,978.61)</b>
<b>General Revenues:</b>								
<b>Taxes:</b>								
Property Taxes, Levied for General Purposes, Net						\$ 32,897,025.00	\$ -	\$ 32,897,025.00
Taxes Levied for Debt Service						4,136,563.00		4,136,563.00
Casino PILOT						45,000,000.00		45,000,000.00
Federal and State Aid not Restricted						114,824,061.09		114,824,061.09
Miscellaneous Income						1,325,508.24		1,325,508.24
<b>Transfers</b>								
Total General Revenues						198,183,157.33		198,183,157.33
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers Change in Net Position</b>						198,183,157.33		198,183,157.33
<b>Adjustment to Fixed Assets</b>						50,787,730.27	14,448.45	50,802,178.72
<b>Net Assets</b>						(23,118,463.14)	418,691.85	(22,699,771.29)
<b>Net Assets - Ending</b>						152,287,402.19	3,114,392.58	155,401,794.77
						<b>\$ 179,956,669.32</b>	<b>\$ 3,547,532.88</b>	<b>\$ 183,504,202.20</b>

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



## FUND FINANCIAL STATEMENTS

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



**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 130,630,614.82	\$ 258,657.73	\$ 4,865,404.50	\$ 13,623.30	\$ 135,768,300.35
Receivables from Federal and State Government	20,982,748.83	8,116,560.08			29,099,308.91
Other Receivables	7,472,261.99				7,472,261.99
Interfunds Receivable	3,783,915.81			507,138.00	4,291,053.81
<b>Total Assets</b>	<b>\$ 162,869,541.45</b>	<b>\$ 8,375,217.81</b>	<b>\$ 4,865,404.50</b>	<b>\$ 520,761.30</b>	<b>\$ 176,630,925.06</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 15,093,268.68	1,703,899.74			16,797,168.42
Due to State & Federal		27,558.62			27,558.62
Interfund Payable		4,291,053.81			4,291,053.81
Workers Compensation Claims Payable	4,005,688.93				4,005,688.93
Deferred Revenue		2,094,047.91			2,094,047.91
<b>Total Liabilities</b>	<b>19,098,957.61</b>	<b>8,116,560.08</b>	<b>-</b>	<b>-</b>	<b>27,215,517.69</b>
<b>Fund Balances:</b>					
<b>Restricted Fund Balance:</b>					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 10,000,000.00				10,000,000.00
Reserve for Excess Surplus	19,102,846.43				19,102,846.43
Special Revenue		258,657.73			258,657.73
Capital Projects			4,865,404.50		4,865,404.50
Debt Service				520,761.30	520,761.30
Maintenance Reserve	8,002,000.00				8,002,000.00
Capital Reserve	100,373,040.31				100,373,040.31
Tuition Reserve	2,000,000.00				2,000,000.00
Emergency Reserve	1,000,000.00				1,000,000.00
Unemployment Reserve	2,577,630.75				2,577,630.75
<b>Committed Fund Balance:</b>					
Other Purposes	2,850,137.37				2,850,137.37
<b>Assigned Fund Balance:</b>					
Designated for Subsequent Year's Expenditures:					
General	3,148,795.00				3,148,795.00
Unassigned Fund Balance	(5,283,866.02)				(5,283,866.02)
<b>Total Fund Balances (Deficits)</b>	<b>143,770,583.84</b>	<b>258,657.73</b>	<b>4,865,404.50</b>	<b>520,761.30</b>	<b>149,415,407.37</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 162,869,541.45</b>	<b>\$ 8,375,217.81</b>	<b>\$ 4,865,404.50</b>	<b>\$ 520,761.30</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

The cost of the assets is \$229,449,025.38 and the accumulated depreciation is \$118,365,614.00.

111,083,411.38

Right of Use Asset

2,657,986.30

Interest on long-term debt in the statement of activities is accrued, regardless of when due.

(623,323.43)

Pension Liabilities Net of Deferred Outflows & Inflows

(30,847,176.00)

Long - term liabilities, including bonds and capital leases payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(51,729,636.30)

Net assets of governmental activities

\$ 179,956,669.32

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 32,897,025.00			\$ 4,136,563.00	\$ 37,033,588.00
Casino PILOT	45,000,000.00				45,000,000.00
Tuition Charges	5,693,189.45				5,693,189.45
Miscellaneous	1,325,508.24	321,979.23		-	1,647,487.47
Total Local Sources	84,915,722.69	321,979.23	-	4,136,563.00	89,374,264.92
State Sources	148,350,903.96	6,190,038.48		387,776.00	154,928,718.44
Federal Sources	360,733.09	22,506,686.83			22,867,419.92
Total Revenues	<u>233,627,359.74</u>	<u>29,018,704.54</u>	<u>-</u>	<u>4,524,339.00</u>	<u>267,170,403.28</u>
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	45,003,578.63				45,003,578.63
Special Education Instruction	12,100,219.73	18,628,600.95			30,728,820.68
Other Special Instruction	8,780,475.59				8,780,475.59
Support Services and Undistributed Costs:					
Tuition	18,266,923.53				18,266,923.53
Student & Instruction Related Serv.	12,058,862.04	9,440,900.78			21,499,762.82
General Administrative Services	3,245,479.24				3,245,479.24
School Administrative Services	5,813,321.28				5,813,321.28
Plant Operation and Maintenance	16,565,133.87				16,565,133.87
Pupil Transportation	7,250,716.76				7,250,716.76
Central and Info. Tech. Services	2,228,123.53				2,228,123.53
Unallocated Employee Benefits	55,441,129.82				55,441,129.82
Debt Service:					
Principal				3,122,000.00	3,122,000.00
Interest and Other Charges				1,909,477.50	1,909,477.50
Capital Outlay	2,786,744.94	918,113.16	109,595.50		3,814,453.60
Total Expenditures	<u>189,540,708.96</u>	<u>28,987,614.89</u>	<u>109,595.50</u>	<u>5,031,477.50</u>	<u>223,669,396.85</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>44,086,650.78</u>	<u>31,089.65</u>	<u>(109,595.50)</u>	<u>(507,138.50)</u>	<u>43,501,006.43</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	-		4,975,000.00	507,138.00	5,482,138.00
Transfer out	(5,482,138.00)				(5,482,138.00)
Total Other Financing Sources and Uses	<u>(5,482,138.00)</u>	<u>-</u>	<u>4,975,000.00</u>	<u>507,138.00</u>	<u>-</u>
Net Changes in Fund Balance	38,604,512.78	31,089.65	4,865,404.50	(0.50)	43,501,006.43
Fund Balance - July 1	105,166,071.06	227,568.08	-	520,761.80	105,914,400.94
Fund Balance (Deficit) - June 30	<u>\$ 143,770,583.84</u>	<u>\$ 258,657.73</u>	<u>\$ 4,865,404.50</u>	<u>\$ 520,761.30</u>	<u>\$ 149,415,407.37</u>

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2023**

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 43,501,006.43

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, on 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 current fiscal year.

Depreciation expense	\$ (4,703,807.00)	
Capital Assets Adjustment to New Inventory	(23,118,463.14)	
Capital Outlay	<u>3,740,856.60</u>	(24,081,413.54)

Governmental funds report district pension contributions as expenditures.

However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

District pension contributions - PERS	2,154,318.00	
Cost of benefits earned net of employee contributions	<u>3,390,337.00</u>	5,544,655.00

Repayment of bond principal 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.

Bonds		3,122,000.00
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

(343,789.20)

In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.

(73,191.56)

Change in Net Assets of Governmental Activities	\$ 27,669,267.13
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**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Net Assets**  
**June 30, 2023**

	Business-Type Activities - Enterprise Fund		
	Food Service	Reading Recovery	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 1,909,511.96	\$ 33,066.35	\$ 1,942,578.31
Accounts Receivable - Federal	371,343.20		371,343.20
Accounts Receivable - State	10,860.08		10,860.08
Accounts Receivable - Other	14,546.71		14,546.71
Inventories	77,100.58		77,100.58
Total Current Assets	<u>2,383,362.53</u>	<u>33,066.35</u>	<u>2,416,428.88</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	2,327,227.00		2,327,227.00
Less: Accumulated Depreciation	(1,196,123.00)		(1,196,123.00)
Total Noncurrent Assets	<u>1,131,104.00</u>	<u>-</u>	<u>1,131,104.00</u>
 Total Assets	 <u><u>\$ 3,514,466.53</u></u>	 <u><u>\$ 33,066.35</u></u>	 <u><u>\$ 3,547,532.88</u></u>
<b>LIABILITIES</b>			
Current Liabilities:			
None			-
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b>			
Invested in Capital Assets Net of Related Debt	1,131,104.00	-	1,131,104.00
Unrestricted	2,383,362.53	33,066.35	2,416,428.88
 Total Net Assets	 <u><u>\$ 3,514,466.53</u></u>	 <u><u>\$ 33,066.35</u></u>	 <u><u>\$ 3,547,532.88</u></u>

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**For the Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Fund		
	Food Service	Reading Recovery	Totals Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 28,436.36	\$ -	\$ 28,436.36
Daily Sales - Non Reimbursable Programs	331,142.36		331,142.36
Total Operating Revenue	<u>359,578.72</u>	<u>-</u>	<u>359,578.72</u>
Operating Expenses:			
Cost of Sales - Reimbursable Programs	2,687,705.76		2,687,705.76
Cost of Sales - Non Reimbursable Programs	113,216.53		113,216.53
Salaries	2,300,326.81		2,300,326.81
Employee Benefits	726,100.81		726,100.81
Management Fee	388,708.02		388,708.02
Insurance & Other Non Controllable Costs	249,173.01		249,173.01
Direct Costs	251,447.68		251,447.68
Travel		2,707.87	2,707.87
Miscellaneous	10,918.25	3,070.00	13,988.25
Depreciation	106,123.00		106,123.00
Total Operating Expenses	<u>6,833,719.87</u>	<u>5,777.87</u>	<u>6,839,497.74</u>
Operating Income (Loss)	<u>(6,474,141.15)</u>	<u>(5,777.87)</u>	<u>(6,479,919.02)</u>
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	71,464.54		71,464.54
State School Breakfast Program	98,547.30		98,547.30
Federal Sources:			
National School Lunch Program	3,161,489.97		3,161,489.97
CACF - Dinner Program	242,592.27		242,592.27
School Breakfast Program	1,936,675.60		1,936,675.60
Fresh Fruit and Vegetable Program	235,515.01		235,515.01
Supply Chain Assistance	311,018.11		311,018.11
Food Distribution Program	437,064.67		437,064.67
Correction to Fixed Assets	418,691.85		418,691.85
Total Nonoperating Revenues (Expenses)	<u>6,913,059.32</u>	<u>-</u>	<u>6,913,059.32</u>
Income (Loss) before Contributions & Transfers	438,918.17	(5,777.87)	433,140.30
Changes in Net Assets	438,918.17	(5,777.87)	433,140.30
Total Net Assets - Beginning	3,075,548.36	38,844.22	3,114,392.58
Total Net Assets - Ending	<u>\$ 3,514,466.53</u>	<u>\$ 33,066.35</u>	<u>\$ 3,547,532.88</u>

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Fund		
	Food Service	Reading Recovery	Totals Enterprise
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 364,949.03	\$ -	\$ 364,949.03
Payment for Salaries	(2,300,326.81)		(2,300,326.81)
Payments for Benefits	(726,100.81)		(726,100.81)
Payments for Suppliers	(4,229,642.16)	(5,777.87)	(4,235,420.03)
Net Cash Provided by (Used for) Operating Activities	<u>(6,891,120.75)</u>	<u>(5,777.87)</u>	<u>(6,896,898.62)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Federal and State Sources	7,242,488.26		7,242,488.26
Operating Subsidies and Transfers to Other Funds		-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>7,242,488.26</u>	<u>-</u>	<u>7,242,488.26</u>
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of Capital Assets	(283,573.15)		(283,573.15)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(283,573.15)</u>	<u>-</u>	<u>(283,573.15)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
NONE	-	-	-
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	67,794.36	(5,777.87)	62,016.49
Balance - Beginning of Year	1,841,717.60	38,844.22	1,880,561.82
Balance - End of Year	<u>\$ 1,909,511.96</u>	<u>\$ 33,066.35</u>	<u>\$ 1,942,578.31</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$ (6,474,141.15)	\$ (5,777.87)	\$ (6,479,919.02)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Net Amortization	106,123.00		106,123.00
(Increase) Decrease in Inventories	(44,247.76)		(44,247.76)
Increase (Decrease) in Accounts Payable	(484,225.15)		(484,225.15)
Increase (Decrease) in Deferred Revenue	(15,107.68)		(15,107.68)
(Increase) Decrease in Accounts Receivable	20,477.99		20,477.99
Total Adjustments	<u>(416,979.60)</u>	<u>-</u>	<u>(416,979.60)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (6,891,120.75)</u>	<u>\$ (5,777.87)</u>	<u>\$ (6,896,898.62)</u>

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



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is a Type II district located in Atlantic County. The Board consists of members elected to three-year terms. The purpose of the district is to educate students in grades Preschool through Grade 12. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the City of Atlantic City School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

**A. REPORTING ENTITY:**

The School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. Effective with the 2012 fiscal year, the election of Board Members was moved to the general election in November. The purpose of the district is to educate students in grades K-12.

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

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

Based on the aforementioned criteria, the District has no component units.

**B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program and reading recovery funds are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service and reading recovery). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

**1. Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **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.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District. This fund also includes Student Activities, Athletics, and Scholarship.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.
- d. **Debt service** funds are 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.

**Fund Balances – Governmental Funds**

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.

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.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. 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.

**2. Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District operates a food service fund to provide a child nutrition program for the students of the district.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

- b. The District's Enterprise Funds are comprised of the Food Service Fund and the Reading Recovery Fund.

All fund internal activity is eliminated when carried to the Government-wide statements.

**D. BASIS OF ACCOUNTING**

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

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net assets (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net assets. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Revenue from federal, state and other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

**E. BUDGETS/BUDGETARY CONTROL**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for special revenue funds. 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(g). All budget amendments/transfers must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining 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.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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

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

Significant transfers approved by the Board of Education during the fiscal year were as follows:

**Undistributed Expenditures**

Tuition to Private Sch for the Disabled	\$ (700,739.00)
<b>Undist. Expend. - Supp. Serv. - General Admin</b>	
Judgments Against the District	(307,476.79)
<b>Undist. Expend. - Improv of Instructional Services</b>	
Purchased Prof. - Education Services	(707,790.00)
<b>Undist. Expend. - Required Maint. School Facilities</b>	
Cleaning, Repair and Maint. Service	1,754,467.40
<b>Undist. Expend. - Custodial Services</b>	
Cleaning, Repair and Maint. Service	284,000.00
Energy (Energy and Electricity)	(368,937.00)
<b>Undist. Expend. - Student Transportation Serv.</b>	
Contract Serv. - Other than Home and Sch Vendors	(412,929.50)
Contract Serv. - Sp. Ed. Joint Agreements	566,258.03
<b>Unallocated Benefits</b>	
Other Retirement Contrib. - PERS	(441,681.39)
<b>Capital Outlay</b>	
Undistributed - Support Serv. - Custodial	410,500.00
Undistributed - Support Serv. - Required Maint.	(1,558,467.25)

**F. ENCUMBRANCE ACCOUNTING**

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of 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 ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**G. ASSETS, LIABILITIES AND EQUITY**

Cash, Cash Equivalents and Investments

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

Investments

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

Inter-fund Transactions

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the Enterprise Fund. Repayments from funds responsible for particular expenditure/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories

Inventories, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Inventories in the Enterprise Fund are recorded at cost, computed on a first-in, first out method. In the fund based financial statements, commodities received from the U.S. Department of Agriculture are recorded as deferred revenue until consumed.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by the district is \$2,000.00.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over their estimated useful lives. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 20 years for equipment.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

Compensated Absences

The District accounts for compensated absences (e.g., unused sick, vacation leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions, which limit these payouts to \$15,000 per employee.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received in the Special Revenue Fund before they have been earned are recorded as deferred revenue.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**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 represent the difference between assets and liabilities. Net positions invested in capital assets, net of related debt, 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 positions are reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the School District, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classified governmental fund balances as follows;

- Non-spendable – Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual restraints.
- Restricted - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year end.
- Assigned – Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Education, Superintendent or Business Administrator.
- Unassigned – Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Revenues – Exchange and Non-exchange Transactions

Revenues 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.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service and state aid for reading recovery. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

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 that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of 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. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Pensions

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**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 in occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence.

Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. The final cost is based on an agreement with the sending districts with a negotiated amount up to the final cost as determined by State of New Jersey.

Tuition Payable

Tuition charges for the fiscal years 2021/22 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Management Estimates

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

**H. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE**

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

**NOTE 2 – CONTINGENT LIABILITIES**

Federal and State Grants

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Custodial Credit Risk—Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The district’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$1,621,915.58 of the government’s bank balance of \$146,840,411.41 was exposed to custodial credit risk.

At June 30, 2023, the carrying amount of the District’s deposits (cash and cash equivalents) was \$137,710,878.66 and the bank balance was \$146,840,411.41.

As of June 30, 2023, the District’s bank balance was exposed to custodial credit risk as follows:

	<u>Cash and Cash Equivalents</u>
FDIC Insured	\$ 250,000.00
GUDPA Insured	144,968,495.83
Uninsured	<u>1,621,915.58</u>
	<u>\$ 146,840,411.41</u>

**NOTE 4 - INVESTMENTS**

As of June 30, 2023, the District had no investments. However, if the District had investments, they would be subject to the following risks.

**Interest Rate Risk.** The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investment to 397 days.

**Credit Risk.** New Jersey Statutes 18A:20-37 limits district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the district or the local units in which the district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The district places no limit on the amount the district may invest in any one issuer.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 5 – RECEIVABLES**

Receivables at June 30, 2023, consisted of other receivables (tuition, taxes and other), interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government Wide Financial Statements
State and Federal Aid	\$ 29,099,308.91	\$ 29,481,512.19
Tuition and Transportation	980,845.99	980,845.99
Tax Levy	6,491,416.00	6,491,416.00
Other		14,546.71
Gross Receivables	36,571,570.90	36,968,320.89
Less: Allowance for Uncollectibles		
Total Receivables, Net	\$ 36,571,570.90	\$ 36,968,320.89

**NOTE 6 – INVENTORY**

Inventory in the Food Service Enterprise Fund at June 30, 2023, consisted of the following:

Food	\$ 77,100.58
	\$ 77,100.58

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 7 – CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Adjustment</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 17,817,780.00	\$	\$	\$ 17,817,780.00
Construction in Progress		854,680.38		854,680.38
Total capital assets not being depreciated	<u>17,817,780.00</u>	<u>854,680.38</u>	<u>-</u>	<u>18,672,460.38</u>
Capital assets being depreciated:				
Buildings and building improvements	202,717,836.33		(25,938,010.33)	176,779,826.00
Equipment	31,635,255.37	2,886,176.22	(524,692.59)	33,996,739.00
Total capital assets being depreciated at historical cost	<u>234,353,091.70</u>	<u>2,886,176.22</u>	<u>(26,462,702.92)</u>	<u>210,776,565.00</u>
Less accumulated depreciation for:				
Buildings and improvements	(89,270,840.44)		(800,885.56)	(90,071,726.00)
Equipment	<u>(27,735,206.34)</u>		<u>(558,681.66)</u>	<u>(28,293,888.00)</u>
Subtotal accumulated depreciation	(117,006,046.78)	-	(1,359,567.22)	(118,365,614.00)
Total capital assets being depreciated, net of accumulated depreciation	<u>117,347,044.92</u>	<u>2,886,176.22</u>	<u>(27,822,270.14)</u>	<u>92,410,951.00</u>
Governmental activity capital assets, net	<u>\$ 135,164,824.92</u>	<u>\$ 3,740,856.60</u>	<u>\$ (27,822,270.14)</u>	<u>\$ 111,083,411.38</u>
<b>Business-type activities:</b>				
Capital assets being depreciated:				
Equipment	\$ 1,732,492.00	\$ 283,573.15	\$ 311,161.85	\$ 2,327,227.00
Less accumulated depreciation	<u>(1,197,530.00)</u>		<u>1,407.00</u>	<u>(1,196,123.00)</u>
Enterprise Fund capital assets, net	<u>\$ 534,962.00</u>	<u>\$ 283,573.15</u>	<u>\$ 312,568.85</u>	<u>\$ 1,131,104.00</u>

Depreciation is charged to governmental functions as follows:

Regular Instruction	\$ 1,581,359.06
Special Education	1,079,765.21
Other Special Instruction	308,532.90
Student & Instructional Related Services	755,469.80
General Administrative Services	114,041.33
School Administrative Services	204,271.49
Plant Operation & Maintenance	582,074.25
Central Services	78,292.96
	<u>\$ 4,703,807.00</u>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 8 – LONG-TERM OBLIGATIONS**

Changes in long-term obligations for the year ended June 30, 2023 are as follows:

	Balance June 30, 2022	Issues or Additions	Payments or Expenditures	Balance June 30, 2023	Amounts Due Within One Year
Compensated Absences	\$ 1,928,860.80	\$ 343,789.20	\$	\$ 2,272,650.00	\$
Net Pension Liability	20,807,570.00	4,973,862.00		25,781,432.00	
Leases Payable	2,674,307.07	768,735.90	785,056.67	2,657,986.30	844,223.67
Bonds Payable	49,921,000.00		3,122,000.00	46,799,000.00	3,241,000.00
	<u>\$ 75,331,737.87</u>	<u>\$ 6,086,387.10</u>	<u>\$ 3,907,056.67</u>	<u>\$ 77,511,068.30</u>	<u>\$ 4,085,223.67</u>

Compensated Absences and Net Pension Liability will be liquidated in the General Fund.

Bonds Payable

Bonds are authorized, in accordance with State law, by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

Description of Bonds Payable

At June 30, 2023, bonds payable consisted of the following issues:

\$39,039,000.00 Refunding Bonds, bonds dated May 22, 2019 payable in annual installments through August 15, 2034. Interest is payable semiannually at rates varying from 3.400% to 4.150%. The remaining balance as of June 30, 2023, is \$32,419,000.00.

\$16,445,000.00 Refunding Bonds, bonds dated May 1, 2022, payable in annual installments through August 15, 2034. Interest is payable semiannually at 4.000%. The remaining balance as of June 30, 2023, is \$14,380,000.00.

Debt service requirements on bonds payable at June 30, 2023 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 3,241,000.00	\$ 1,795,691.50	\$ 5,036,691.50
2025	3,343,000.00	1,677,428.50	5,020,428.50
2026	3,453,000.00	1,555,956.50	5,008,956.50
2027	3,570,000.00	1,430,445.50	5,000,445.50
2028	3,690,000.00	1,300,980.50	4,990,980.50
2029-2033	20,567,000.00	4,127,306.50	24,694,306.50
2034-2035	8,935,000.00	417,392.75	9,352,392.75
	<u>\$ 46,799,000.00</u>	<u>\$ 12,305,201.75</u>	<u>\$ 59,104,201.75</u>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 9 – PENSION PLANS**

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program 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 the 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 the reports can be accessed on the internet at the following address: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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 provisions 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 as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has 36 employees enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2022.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 9 – PENSION PLANS - Continued**

Vesting and Benefit Provisions

The vesting and benefit provisions for 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 eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Contribution Requirements

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 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. TPAF and PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. 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 the TPAF.

The School District's contributions to TPAF for the years ending June 30, 2023, 2022 and 2021 were \$0, \$0, and \$0 respectively, and paid by the State of New Jersey on behalf of the board. The State of New Jersey did not make the required contributions for the last three years. The School District's contributions to PERS for the years ending June 30, 2023, 2022, and 2021 were \$2,154,318.00, \$2,058,319.00, and \$2,002,039.00, respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2023, 2022, and 2021, the State of New Jersey contributed \$28,848,383.00, \$29,730,752.00, and \$23,205,167.00, respectively, to the TPAF for post-retirement medical benefits and NCGI Premium on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$5,039,192.96, \$5,636,763.94, and \$4,568,455.86, respectively during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Teacher's Pension and Annuity Fund (TPAF) operate and to the benefit provisions of those systems.



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 9 – PENSION PLANS - Continued**

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS and TPAF hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the systems is increased from age 63 to 65 for Tier 5 members.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. For fiscal year 2013, the member contribution rates increased in October 2012. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage.
- The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

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NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 10: PENSION LIABILITIES - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. The following information describes the District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the District's pension liabilities as June 30, 2022:

**Public Employees' Retirement System**

The District has a liability of \$25,781,432 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion is 0.17083552430%, which is a decrease of 2.74% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$3,390,336. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 186,079	\$ (164,095)
Changes of assumptions	79,879	(3,860,501)
Net difference between projected and actual earnings		
on pension plan investments	1,067,070	-
Changes in proportion	121,261	(2,495,437)
Total	\$ 1,454,289	\$ (6,520,033)

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

	Year ended June 30,
2024	\$ (4,630,365)
2025	(1,705,339)
2026	(119,822)
2027	1,400,671
2028	(10,889)
Total	\$ (5,065,744)

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**NOTE 10: PENSION LIABILITIES - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) -  
Continued**

**Actuarial Assumptions**

The total pension liability for the June 30, 2022, measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (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 disable 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 generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

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**NOTE 10: PENSION LIABILITIES - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) -  
Continued**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.*

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 30,917,224	\$ 25,781,432	\$ 21,415,525

*Pension plan fiduciary net position.*

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

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**NOTE 11 – PENSION LIABILITIES - TEACHERS’ PENSION AND ANNUITY FUND (TPAF)**

At June 30, 2022, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, 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 non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, 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 non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		<u>297,788,806.00</u>
Total		<u><u>\$ 297,788,806.00</u></u>

The net pension liability was measured as of June 30, 2022 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 school districts and the State, actuarially determined. At June 30, 2022, the District’s proportion was 0.00%, which was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of \$8,014,329 and revenue of \$8,014,329 for support provided by the State.

*Actuarial assumptions.* The total pension liability in the June 30, 2022 actuarial valuation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary increases	2.75% - 5.65% (based on years of service)
Investment rate of return	7.00%

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
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**NOTE 11 – PENSION LIABILITIES - TEACHERS’ PENSION AND ANNUITY FUND (TPAF) -  
Continued**

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-Medan 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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

***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, 2022) 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 weighing 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, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	2.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	8.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	5.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

***Discount rate.***

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 11 – PENSION LIABILITIES - TEACHERS’ PENSION AND ANNUITY FUND (TPAF) - Continued**

*Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate.*

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District’s proportionate share of the net pension liability	\$ -	\$ -	\$ -
State’s proportionate share of the net position liability associated with the District	\$ 349,163,703.16	\$ 297,788,806.00	\$ 254,511,910.60

*Pension plan fiduciary net position.*

Detailed information about the pension plan’s fiduciary net position is available in the separately issued TPAF financial report.

**Additional Information**

Collective balances of the local group at June 30, 2022 are as follows:

Deferred outflows of resources	\$	5,004,259,312
Deferred inflows of resources		19,682,774,794
Net pension liability		51,676,587,303

Collective pension expense for the plan for the measurement period ended June 30, 2022 is \$1,390,761,344.

**NOTE 12 – OTHER POST-RETIREMENT BENEFITS**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan:**

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State’s contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State’s contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more

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conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be reported on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contributions. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent, from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

*Total OPEB Liability*

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 and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2022, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. 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 and other inputs, applied to all periods included in the measurement, unless otherwise specified:

*Salary Increases*

<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
2.75% to 4.25% based on service years	2.75% to 6.55% based on service years	3.25% to 16.25% based on service years



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*Mortality Rates*

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-2020 “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, 2021 valuation were based on the results of the TPAF, PERS, and PFRS experience studies for the period July 1, 2018 to June 30, 2021.

*Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

*Discount Rate*

The discount rate used to measure the total OPEB liability was 3.54%. 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 OPEB Liability reported by the State of New Jersey*

Balance at 6/30/22 (Based on 6/30/2021 measurement date)	\$ 60,007,650,970.00
Changes for the year:	
Service cost	2,770,618,025.00
Interest	1,342,187,139.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	1,399,200,736.00
Changes in assumptions or other inputs	(13,586,368,097.00)
Contributions: Member	42,650,252.00
Benefit payments	<u>(1,329,476,059.00)</u>
Net changes	<u>(9,361,188,004.00)</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u>\$ 50,646,462,966.00</u>

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*Sensitivity of the total OPEB liability to changes in the discount rate*

The following presents the total OPEB liability as of June 20, 2022, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 59,529,589,697.00	\$ 50,646,462,966.00	\$ 43,527,080,995.00

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates*

The following presents the total OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 41,862,397,291.00	\$ 50,646,462,966.00	\$ 62,184,866,635.00

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of \$1,869,043.00 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,042,402,619.00	\$ (15,462,950,679.00)
Changes in assumptions	8,765,620,577.00	(17,237,289,230.00)
	\$ 17,808,023,196.00	\$ (32,700,239,909.00)

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

Year Ended June 30,		
2023	\$	(2,517,151,602.00)
2024		(2,517,151,602.00)
2025		(2,517,151,602.00)
2026		(2,175,449,761.00)
2027		(1,243,951,140.00)
Thereafter		<u>(3,921,361,006.00)</u>
	\$	<u><u>(14,892,216,713.00)</u></u>

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

**NOTE 13 – 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.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. 10-month employees earn 10 days of sick leave a year. 12-month employees earn 12 days of sick leave a year. Sick leave can be accumulated and used as needed in subsequent years. All employees retiring from the District with over 20 years of continuous service shall be eligible for a retirement bonus of up to \$15,000 based on the District's policy.

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 funds total liabilities and is therefore not shown separately from the long-term liability balance of compensated absences.

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**NOTE 14 – DEFERRED COMPENSATION**

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

- Equitable
- Lincoln Investment Planning, Inc.
- Putman Investor
- Siracusa Benefits
- Vanguard
- Valic
- Voya 403(b) Plan
- Wachovia Securities

**NOTE 15 – 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 for which the district carries commercial insurance, with the exception of workers compensation.

**Property and Liability Insurance** – The District is self insured for workers compensation. The District has commercial coverage for surety bonds and employee health insurance.

The following is the activity for the years ended June 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>
	<u>Worker Compensation</u>	<u>Worker Compensation</u>	<u>Worker Compensation</u>
Beginning of Year:			
Unencumbered Reserve	\$ 4,005,688.93	\$ 4,005,688.93	\$ 4,005,688.93
Other	-	-	-
Funded by Budget Appropriation	-	-	-
	<u>4,005,688.93</u>	<u>4,005,688.93</u>	<u>4,005,688.93</u>
Paid	-	-	-
End of Year	<u>\$ 4,005,688.93</u>	<u>\$ 4,005,688.93</u>	<u>\$ 4,005,688.93</u>
Analysis of Balance			
Unencumbered Reserve	\$ 4,005,688.93	\$ 4,005,688.93	\$ 4,005,688.93
Encumbrances/Payables	-	-	-
	<u>\$ 4,005,688.93</u>	<u>\$ 4,005,688.93</u>	<u>\$ 4,005,688.93</u>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2022-2023	\$	\$	\$	\$
2021-2022	254,805.15	269,061.92	(181,902.36)	2,577,630.75
2020-2021		127,402.47	(245,394.51)	2,490,471.19
		111,663.82	(231,844.38)	2,353,658.08

**NOTE 16 – INTERFUNDS**

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds. The fund financial interfunds were eliminated in the governmental-wide statements.

The following interfund balances remained on the balance sheet at June 30, 2023:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 4,291,053.81	\$
Special Revenue Fund	\$	4,291,053.81
	<u>\$ 4,291,053.81</u>	<u>\$ 4,291,053.81</u>

The General Fund receivable is comprised of an inter-fund due from the Special Revenue Fund. The inter-fund receivable was primarily a result of prior year audit adjustments where money needs to be transferred from Fund 20 to Fund 10. The inter-fund between Fund 10 and Fund 30 is interest earned due back to Fund 10. There is also a large interfund between the general fund and capital projects due to spending in the capital project fund that is not yet transferred from general fund.

**NOTE 17 – CAPITAL RESERVE ACCOUNT**

The Board of Education established a capital reserve account during the 2000/2001 year 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. The total balance at June 30, 2023 was \$100,373,040.31.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may deposit funds into the capital reserve account at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

The activity of the capital reserve account is as follows:

Beginning balance, July 1, 2022		\$	61,197,636.02
Increase:			
2022-23 Interest	\$		257,726.00
Budgeted Amount 2022-23			30,000,000.00
Board Resolution 6/20/2023			13,892,678.29
			44,150,404.29
Decrease:			
Transferred to Capital Projects Fund			(4,975,000.00)
Ending balance, June 30, 2023		\$	100,373,040.31

**NOTE 18 – EMERGENCY RESERVE ACCOUNT**

An emergency reserve account was established by the City of Atlantic City School District for the accumulation of funds for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the emergency reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning balance, July 1, 2022		\$	1,000,000.00
			1,000,000.00
Ending balance, June 30, 2023		\$	1,000,000.00

**NOTE 19 – MAINTENANCE RESERVE ACCOUNT**

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

The activity of the Maintenance reserve for the July 1, 2022, to June 30, 2023 fiscal year is as follows:

Beginning balance, July 1, 2022		\$	6,001,000.00
Increase:			
2022-23 Interest	\$		1,000.00
Budgeted Amount			2,000,000.00
			2,001,000.00
Ending balance, June 30, 2023		\$	8,002,000.00

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 20 – TUITION RESERVE ACCOUNT**

A Tuition Reserve account was established by the City of Atlantic City School District which allows the District through Board Resolution for up to 10 percent of the estimated tuition cost in the contract year for an anticipated tuition adjustment in the second year following the contract year in accordance with N.J.A.C. 6A:23A-14.4(a)(3). The code also requires that the district transfer to the general fund, by board resolution, any interest earned on the investments in a tuition reserve account on no less than an annual basis.

Beginning balance, July 1, 2022	\$	2,000,000.00
Increase:		
Board Resolution dated 6/20/2023:		1,000,000.00
Decrease:		
Transfer to General Fund		(1,000,000.00)
Ending balance, June 30, 2023	\$	2,000,000.00

**NOTE 21 – DEFICIT UNRESTRICTED NET POSITION**

The School District had a deficit in unrestricted net position of (\$36,089,067.27) as of June 30, 2023. This deficit was attributable to the Net Pension Liability, the liability for compensated absences as well as the June State Aid Payment as noted above.

**NOTE 22 – FUND BALANCE**

Restrictions of funds balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District does not have a formal fund balance spending policy therefore the default spending order requires committed, assigned and then unassigned to be used be spent first when expenditures are made.

Specific classifications of fund balance are summarized below;

Restricted Fund Balance

Reserve for Excess Surplus Designated – There was excess fund balance from the previous year in the amount of \$10,000,000.00 at June 30, 2023. This amount has been appropriated as revenue in support of the 2023-24 School Budget.

Capital Reserve - There is \$100,373,040.31 balance in the Capital Reserve account at June 30, 2023.

Tuition Reserve - There is \$2,000,000.00 balance in the Tuition Reserve account at June 30, 2023.

Emergency Reserve - There is \$1,000,000.00 balance in the Emergency Reserve account at June 30, 2023.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

Unemployment Reserve - There is \$2,577,630.75 balance in the Emergency Reserve account at June 30, 2023.

Committed Fund Balance - The District's Committed Fund balance for other purposes of \$2,850,443.14 consists of encumbrances in the amount of \$2,575,137.37 and \$275,000.00 reserved to pay future death benefits for employees.

Assigned Fund Balance - At June 30, 2023, the District has assigned \$3,148,795.00 of general fund balances to expenditures in the 2023-24 budget.

Unassigned Fund Balance - At June 30, 2023, the District has an excess of \$3,932,401.98 of unassigned fund balance in the general fund.

**NOTE 23 – CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, 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 balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount of budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$19,102,846.43.

**NOTE 24 – ECONOMIC DEPENDENCY**

The District is heavily reliant on local property taxation and the Casino PILOT Program to fund the District operations and debt service. Property Taxes and the Casino PILOT funded 19% of the Districts 2022-2023 governmental operations. Properties in one industry, the gaming industry, are responsible for more than half of the combined Property tax and Casino PILOT revenue to the District.

**NOTE 25 – RIGHT TO USE ASSETS**

The school district has recorded right to use lease assets as a result of implementing GASB 87. The 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 lease incentives, and plus ancillary charges necessary to place the lease into service. The district has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right to Use Assets at their remaining liability payments.

The district has recorded right to use leased assets as listed below. The assets are right to use assets for leased equipment and the Administration Building.

	Beginning Balance	Increases	Decreases	Ending Balance
Equipment	\$ 394,213.32	\$ 374,522.58	\$ 196,387.71	\$ 572,348.19
Administration Building	2,280,093.75	394,213.32	588,668.96	2,085,638.11
Right to use assets, net	<u>\$ 2,674,307.07</u>	<u>\$ 768,735.90</u>	<u>\$ 785,056.67</u>	<u>\$ 2,657,986.30</u>



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 26 – LITIGATION**

The District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Board, from such litigation is either unknown or potential losses, if any, would be covered by insurance or not be material to the financial statements.

**NOTE 27 – SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 through February 5, 2024 the date that the financial statements were available to be issued, for possible disclosure and recognition in the financial statements, and no items have come to attention of the District that would require disclosure.



## **Required Supplementary Information – Part II**



## **Budgetary Comparison Schedules**



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 32,897,025.00	\$ -	\$ 32,897,025.00	\$ 32,897,025.00	\$ -
Casino PILOT	45,000,000.00		45,000,000.00	45,000,000.00	-
Tuition - Sending Districts	5,018,451.00		5,018,451.00	5,693,189.45	674,738.45
Interest Earned			-	493,429.37	493,429.37
Miscellaneous Revenues	452,031.00		452,031.00	832,078.87	380,047.87
<b>Total Local Sources</b>	<b>83,367,507.00</b>	<b>-</b>	<b>83,367,507.00</b>	<b>84,915,722.69</b>	<b>1,548,215.69</b>
State Sources:					
Categorical Transportation Aid	1,390,702.00		1,390,702.00	1,390,702.00	-
Categorical Special Education Aid	5,620,334.00		5,620,334.00	5,620,334.00	-
Equalization Aid	78,229,856.00		78,229,856.00	78,229,856.00	-
Categorical Security Aid	3,248,102.00		3,248,102.00	3,248,102.00	-
Adjustment Aid	7,482,500.00		7,482,500.00	7,482,500.00	-
School Choice Aid	86,669.00		86,669.00	86,669.00	-
Extraordinary Aid			-	709,017.00	709,017.00
Commercial Valuation Stabilization Aid	20,000,000.00		20,000,000.00	20,000,000.00	-
Non Public Transportation Aid			-	24,648.00	24,648.00
TPAF Pension (On-Behalf - Non-Budgeted) :					
Pension Contribution			-	22,842,360.00	22,842,360.00
Post Retirement Medical			-	6,000,633.00	6,000,633.00
Long Term Disability			-	5,390.00	5,390.00
TPAF Social Security (Reimbursed- Non-Budgeted)	-		-	5,039,192.96	5,039,192.96
<b>Total State Sources</b>	<b>116,058,163.00</b>	<b>-</b>	<b>116,058,163.00</b>	<b>150,679,403.96</b>	<b>34,621,240.96</b>
Federal Sources:					
Impact Aid	41,750.00		41,750.00	57,540.00	15,790.00
SEMI	228,188.00		228,188.00	303,193.09	75,005.09
<b>Total Federal Sources</b>	<b>269,938.00</b>	<b>-</b>	<b>269,938.00</b>	<b>360,733.09</b>	<b>90,795.09</b>
<b>Total Revenues</b>	<b>199,695,608.00</b>	<b>-</b>	<b>199,695,608.00</b>	<b>235,955,859.74</b>	<b>36,260,251.74</b>
<b>EXPENDITURES:</b>					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Preschool / Kindergarten - Salaries of Teachers	2,361,022.00	12,496.16	2,373,518.16	2,373,518.16	-
Grades 1 - 5 Salaries of Teachers	13,836,464.00	(12,496.16)	13,823,967.84	12,771,942.40	1,052,025.44
Grades 6 - 8 Salaries of Teachers	10,245,877.00		10,245,877.00	9,825,750.56	420,126.44
Grades 9 - 12 Salaries of Teachers	11,630,266.00	19,000.00	11,649,266.00	10,772,525.76	876,740.24
Regular Programs - Home Instruction					
Salaries of Teachers	660,802.00	(52,920.00)	607,882.00	143,396.32	464,485.68
Purchased Professional - Education Services	55,000.00		55,000.00	3,603.32	51,396.68
Regular Programs - Undistributed Instruction					
Salaries	410,694.00	51,386.50	462,080.50	417,181.00	44,899.50
Other Salaries for Instruction	76,555.00	1,533.50	78,088.50	78,088.50	-
Purchased Professional - Education Services	7,374,388.00	132,803.49	7,507,191.49	4,863,583.84	2,643,607.65
Purchased Technical Services	761,500.00	(124,739.76)	636,760.24	636,760.00	0.24
Other Purchased Services (400-500 series)	1,260,039.00	41,523.61	1,301,562.61	878,976.70	422,585.91
General Supplies	3,508,393.00	(57,390.55)	3,451,002.45	2,125,269.65	1,325,732.80
Textbooks	421,104.00	(80,792.00)	340,312.00	112,929.11	227,382.89
Other Objects	11,800.00	53.31	11,853.31	53.31	11,800.00
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>52,613,904.00</b>	<b>(69,541.90)</b>	<b>52,544,362.10</b>	<b>45,003,578.63</b>	<b>7,540,783.47</b>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
Learning and/or Language Disabilities					
Salaries of Teachers	629,625.00	27,651.86	657,276.86	657,276.86	-
Other Salaries for Instruction	111,242.00	(24,063.18)	87,178.82	87,178.82	-
Other Purchased Services (400-500 series)	2,000.00		2,000.00		2,000.00
General Supplies	13,000.00		13,000.00	2,956.95	10,043.05
<b>Total Learning and/or Language Disabilities</b>	<b>755,867.00</b>	<b>3,588.68</b>	<b>759,455.68</b>	<b>747,412.63</b>	<b>12,043.05</b>
Cognitive Mild					
Salaries of Teachers	212,913.00	8,593.06	221,506.06	221,506.06	-
Other Salaries for Instruction	140,727.00	(8,593.06)	132,133.94	74,532.62	57,601.32
Other Purchased Services (400-500 series)	1,000.00		1,000.00		1,000.00
General Supplies	5,500.00		5,500.00	1,753.73	3,746.27
Other Objects	1,000.00		1,000.00		1,000.00
<b>Total Cognitive Mild</b>	<b>361,140.00</b>	<b>-</b>	<b>361,140.00</b>	<b>297,792.41</b>	<b>63,347.59</b>
Cognitive Moderate					
Salaries of Teachers	217,675.00	40,742.29	258,417.29	258,417.29	-
Other Salaries for Instruction	40,565.00	26,855.53	67,420.53	67,420.53	-
Other Purchased Services (400-500 series)	52,000.00		52,000.00		52,000.00
General Supplies	10,800.00		10,800.00	1,596.41	9,203.59
<b>Total Cognitive Moderate</b>	<b>321,040.00</b>	<b>67,597.82</b>	<b>388,637.82</b>	<b>327,434.23</b>	<b>61,203.59</b>
Auditory Impairments					
Salaries of Teachers	639,638.00	(158,344.95)	481,293.05	319,820.66	161,472.39
Other Purchased Services (400-500 series)	2,000.00		2,000.00		2,000.00
<b>Total Auditory Impairments</b>	<b>641,638.00</b>	<b>(158,344.95)</b>	<b>483,293.05</b>	<b>319,820.66</b>	<b>163,472.39</b>
Behavioral Disabilities					
Salaries of Teachers	106,306.00		106,306.00	59,603.78	46,702.22
<b>Total Behavioral Disabilities</b>	<b>106,306.00</b>	<b>-</b>	<b>106,306.00</b>	<b>59,603.78</b>	<b>46,702.22</b>
Autism					
Salaries of Teachers	305,606.00		305,606.00	289,499.66	16,106.34
Other Salaries for Instruction	163,897.00		163,897.00	142,339.03	21,557.97
Other Purchased Services (400-500 series)	11,000.00		11,000.00		11,000.00
General Supplies	13,000.00		13,000.00	6,369.48	6,630.52
Other Objects	2,000.00		2,000.00		2,000.00
<b>Total Autism</b>	<b>495,503.00</b>	<b>-</b>	<b>495,503.00</b>	<b>438,208.17</b>	<b>57,294.83</b>
Multiple Disabilities					
Salaries of Teachers	1,855,487.00	41,850.61	1,897,337.61	1,897,337.61	-
Other Salaries for Instruction	815,633.00	(47,938.64)	767,694.36	694,716.07	72,978.29
General Supplies	34,600.00		34,600.00	9,556.76	25,043.24
<b>Total Multiple Disabilities</b>	<b>2,705,720.00</b>	<b>(6,088.03)</b>	<b>2,699,631.97</b>	<b>2,601,610.44</b>	<b>98,021.53</b>

See Accompanying Auditor's Report



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Resource Room/Resource Center					
Salaries of Teachers	6,857,692.00	(110,157.51)	6,747,534.49	6,440,418.00	307,116.49
Other Salaries for Instruction	229,537.00		229,537.00	188,974.23	40,562.77
General Supplies	50,650.00		50,650.00	14,667.14	35,982.86
<b>Total Resource Room/Resource Center</b>	<b>7,137,879.00</b>	<b>(110,157.51)</b>	<b>7,027,721.49</b>	<b>6,644,059.37</b>	<b>383,662.12</b>
Preschool Disabilities -Full-Time					
Salaries of Teachers	527,551.00	16,652.63	544,203.63	544,203.63	-
Other Salaries for Instruction	158,106.00	(16,652.63)	141,453.37	110,137.64	31,315.73
Other Purchased Services (400-500 series)	5,000.00	5,000.00	10,000.00	7,711.25	2,288.75
General Supplies	11,000.00	(5,000.00)	6,000.00	2,225.52	3,774.48
<b>Total Preschool Disabilities - Full-Time</b>	<b>701,657.00</b>	<b>-</b>	<b>701,657.00</b>	<b>664,278.04</b>	<b>37,378.96</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>13,226,750.00</b>	<b>(203,403.99)</b>	<b>13,023,346.01</b>	<b>12,100,219.73</b>	<b>923,126.28</b>
Basic Skills / Remedial Instruction					
Salaries of Teachers	2,711,283.00	203,403.99	2,914,686.99	2,914,686.99	-
<b>Total Basic Skills / Remedial Instruction</b>	<b>2,711,283.00</b>	<b>203,403.99</b>	<b>2,914,686.99</b>	<b>2,914,686.99</b>	<b>-</b>
Bilingual Education - Instruction					
Salaries of Teachers	3,646,629.00		3,646,629.00	3,553,055.85	93,573.15
Other Salaries for Instruction	54,852.00		54,852.00	48,391.00	6,461.00
Supplies and Materials	79,000.00		79,000.00	65,951.09	13,048.91
Textbooks	10,000.00		10,000.00		10,000.00
<b>Total Bilingual Education - Instruction</b>	<b>3,790,481.00</b>	<b>-</b>	<b>3,790,481.00</b>	<b>3,667,397.94</b>	<b>123,083.06</b>
School-Sponsored Co/Extra-Curr. Activities - Instruction					
Salaries	412,365.00	(136,121.00)	276,244.00	165,011.27	111,232.73
Purchased Technical Services		15,880.00	15,880.00	15,450.00	430.00
General Supplies	296,100.00	(10,150.03)	285,949.97	153,287.48	132,662.49
Other Purchased Services (400-500 series)		5,655.00	5,655.00	5,504.40	150.60
Other Objects	1,985.00		1,985.00		1,985.00
<b>Total School-Spon. Co-Curricular Activities - Inst.</b>	<b>710,450.00</b>	<b>(124,736.03)</b>	<b>585,713.97</b>	<b>339,253.15</b>	<b>246,460.82</b>
School-Spon. Co-Curricular Athletics - Instruction					
Salaries	489,778.00		489,778.00	452,693.76	37,084.24
Purchased Services	40,000.00	13,800.00	53,800.00	47,576.00	6,224.00
Other Purchased Services (400-500 series)	126,381.00	(59,697.95)	66,683.05	34,960.62	31,722.43
Supplies and Materials	168,784.00	33,629.00	202,413.00	189,033.07	13,379.93
Other Objects	40,000.00	30,000.00	70,000.00	60,000.00	10,000.00
<b>Total School-Spon. Co-Curricular Athletics - Inst.</b>	<b>864,943.00</b>	<b>17,731.05</b>	<b>882,674.05</b>	<b>784,263.45</b>	<b>98,410.60</b>
Before & After School Programs - Instruction					
Salaries		67,700.00	67,700.00	13,963.99	53,736.01
Supplies and Materials		3,821.00	3,821.00		3,821.00
<b>Before &amp; After School Programs - Inst.</b>	<b>-</b>	<b>71,521.00</b>	<b>71,521.00</b>	<b>13,963.99</b>	<b>57,557.01</b>
Other Supplemental - At Risk Programs - Instruction					
Salaries of Teacher Tutors	1,094,139.00		1,094,139.00	1,029,154.60	64,984.40
<b>Total Other Supplemental - At Risk Programs - Instruction</b>	<b>1,094,139.00</b>	<b>-</b>	<b>1,094,139.00</b>	<b>1,029,154.60</b>	<b>64,984.40</b>
Community Services Program					
Purchased Services (300-500 series)		36,600.00	36,600.00	27,581.27	9,018.73
Supplies & Materials		170,000.00	170,000.00	4,174.20	165,825.80
<b>Total Community Services Program</b>	<b>-</b>	<b>206,600.00</b>	<b>206,600.00</b>	<b>31,755.47</b>	<b>174,844.53</b>
<b>TOTAL INSTRUCTION</b>	<b>75,011,950.00</b>	<b>101,574.12</b>	<b>75,113,524.12</b>	<b>65,884,273.95</b>	<b>9,229,250.17</b>

See Accompanying Auditor's Report

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
<b>UNDISTRIBUTED EXPENDITURES</b>					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	663,141.00		663,141.00	348,733.31	314,407.69
Tuition to Other LEAs Within the State - Special	112,304.00	104,834.00	217,138.00	160,665.79	56,472.21
Tuition to County Voc. School Dist. - Regular	1,549,866.00		1,549,866.00	1,313,883.00	235,983.00
Tuition to County Voc. School Dist. - Special	63,750.00		63,750.00	63,750.00	-
Tuition to CSSD & Regional Day Schools	3,354,020.00	185,341.45	3,539,361.45	3,539,361.45	-
Tuition to Private Schools for the Disabled W/ State	1,875,392.00	(104,834.00)	1,770,558.00	430,811.98	1,339,746.02
Tuition - State Facilities	1,560,186.00	(26,584.45)	1,533,601.55	1,014,558.00	519,043.55
Tuition - Other	20,000.00	15,947.00	35,947.00	35,947.00	-
<b>Total Undistributed Expenditures - Instruction</b>	<b>9,198,659.00</b>	<b>174,704.00</b>	<b>9,373,363.00</b>	<b>6,907,710.53</b>	<b>2,465,652.47</b>
Undistributed Expend. - Attend. & Social Worker					
Salaries	363,566.00	2,848.54	366,414.54	366,414.54	-
Other Purchased Services (400-500 series)		5,400.00	5,400.00	5,400.00	-
Supplies & Materials	7,630.00		7,630.00	2,829.03	4,800.97
<b>Total Undist. Expend. - Attend. &amp; Social Worker</b>	<b>371,196.00</b>	<b>8,248.54</b>	<b>379,444.54</b>	<b>374,643.57</b>	<b>4,800.97</b>
Undistributed Expend. - Health Services					
Salaries	1,096,459.00	(2,848.54)	1,093,610.46	954,018.49	139,591.97
Professional Ed Services	3,300.00		3,300.00	720.75	2,579.25
Purchased Professional and Technical Services	207,700.00	790.00	208,490.00	46,923.55	161,566.45
Other Purchased Services (400-500 series)	51,404.00		51,404.00	34,145.86	17,258.14
Travel	550.00		550.00		550.00
Supplies & Materials	62,775.00	590.00	63,365.00	18,396.08	44,968.92
Other Objects	5,524.00		5,524.00	1,485.00	4,039.00
<b>Total Undistributed Expend. - Health Services</b>	<b>1,427,712.00</b>	<b>(1,468.54)</b>	<b>1,426,243.46</b>	<b>1,055,689.73</b>	<b>370,553.73</b>
Undistributed Expend. - Speech, OT, PT & Related Services					
Salaries	750,859.00		750,859.00	639,541.99	111,317.01
Purchased Professional and Technical Services	614,000.00	54,025.50	668,025.50	663,689.20	4,336.30
Supplies & Materials	17,000.00		17,000.00	5,817.54	11,182.46
Other Objects	3,915.00		3,915.00	1,996.00	1,919.00
<b>Total Undistributed Expend. - Speech, OT, PT &amp; Related Services</b>	<b>1,385,774.00</b>	<b>54,025.50</b>	<b>1,439,799.50</b>	<b>1,311,044.73</b>	<b>128,754.77</b>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,871,243.00	143,433.28	2,014,676.28	2,014,676.28	-
Salaries of Secretarial and Clerical Assistance	113,441.00	23,280.53	136,721.53	136,721.53	-
Other Salaries	176,459.00	(51,637.47)	124,821.53	121,014.78	3,806.75
Purchased Professional - Education Services	62,050.00		62,050.00		62,050.00
Other Purchased Prof. and Tech. Services	33,000.00		33,000.00	12,554.00	20,446.00
Other Purchased Services (400-500 series)	111,612.00		111,612.00	11,649.97	99,962.03
Travel	900.00		900.00		900.00
Supplies and Materials	29,470.00	8,000.00	37,470.00	12,136.43	25,333.57
Other Objects		6,500.00	6,500.00		6,500.00
<b>Total Undist. Expend. - Guidance</b>	<b>2,398,175.00</b>	<b>129,576.34</b>	<b>2,527,751.34</b>	<b>2,308,752.99</b>	<b>218,998.35</b>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Child Study Team					
Salaries of Other Professional Staff	1,795,005.00	(104,810.45)	1,690,194.55	1,654,991.68	35,202.87
Salaries of Secretarial and Clerical Assistants	392,689.00	(10,265.89)	382,423.11	361,455.99	20,967.12
Purchased Professional - Education Services	631,000.00	(13,812.67)	617,187.33	32,370.87	584,816.46
Misc. Purchased Serv (400-500 series)	52,497.00		52,497.00	19,201.48	33,295.52
Travel	2,700.00		2,700.00	608.16	2,091.84
Supplies & Materials	35,100.00	(2,297.00)	32,803.00	12,700.10	20,102.90
<b>Total Undist. Expend. - Child Study Team</b>	<b>2,908,991.00</b>	<b>(131,186.01)</b>	<b>2,777,804.99</b>	<b>2,081,328.28</b>	<b>696,476.71</b>
Undist. Expend. - Improvement of Instructional Services					
Salaries of Other Professional Staff	1,123,346.00	3,309.58	1,126,655.58	747,288.52	379,367.06
Other Salaries	28,888.00	571.77	29,459.77	29,459.77	-
Salaries of Facilitators, Math & Literacy Coaches	2,930,944.00	(321,181.35)	2,609,762.65	2,258,126.22	351,636.43
Purchased Professional - Education Services	963,000.00		963,000.00	206,850.00	756,150.00
Other Purchased Services (400-500 series)	41,050.00	(96.00)	40,954.00	11,268.94	29,685.06
Supplies & Materials	48,575.00		48,575.00	24,824.63	23,750.37
Other Objects	39,300.00	96.00	39,396.00	32,326.50	7,069.50
<b>Total Undist. Expend. - Instructional Staff Training</b>	<b>5,175,103.00</b>	<b>(317,300.00)</b>	<b>4,857,803.00</b>	<b>3,310,144.58</b>	<b>1,547,658.42</b>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	630,510.00	(13,965.45)	616,544.55	593,938.77	22,605.78
Other Salaries	679,569.00	13,965.45	693,534.45	693,534.45	-
Other Purchased Prof. and Tech. Services	88,000.00	9,000.00	97,000.00	49,249.81	47,750.19
Other Purchased Services (400-500 series)	31,181.00	66,405.04	97,586.04	67,667.13	29,918.91
Supplies & Materials	83,000.00	146,730.52	229,730.52	212,868.00	16,862.52
Other Objects	50,000.00	(50,000.00)	-	-	-
<b>Total Undistributed Expenditures - Educational Media Services - School Library</b>	<b>1,562,260.00</b>	<b>172,135.56</b>	<b>1,734,395.56</b>	<b>1,617,258.16</b>	<b>117,137.40</b>
Undist. Expend. - Instructional Staff Training Services Training	3,000.00		3,000.00		3,000.00
<b>Total Undist. Expend. - Instructional Staff Training</b>	<b>3,000.00</b>	<b>-</b>	<b>3,000.00</b>	<b>-</b>	<b>3,000.00</b>
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	679,955.00	217,151.73	897,106.73	891,466.50	5,640.23
State Monitor	123,600.00	(16,721.73)	106,878.27	78,286.06	28,592.21
Legal Services	715,000.00	140,467.99	855,467.99	732,496.08	122,971.91
Audit Fees	75,000.00		75,000.00	64,000.00	11,000.00
Architect Fees	725,000.00	54,926.00	779,926.00	209,736.45	570,189.55
Other Professional Services	30,000.00		30,000.00		30,000.00
Purchased Professional and Technical Services	60,000.00		60,000.00	1,100.00	58,900.00
Communications/Telephone	788,600.00		788,600.00	544,927.57	243,672.43
Travel	1,000.00	2,471.07	3,471.07	3,471.07	-
BOE Other Purchased Services	2,000.00	100.00	2,100.00	2,100.00	-
Miscellaneous Purchased Services	682,994.00		682,994.00	527,012.29	155,981.71
General Supplies	10,000.00	63,325.34	73,325.34	37,115.52	36,209.82
BOE In House Training / Meeting Supplies	29,500.00	(325.34)	29,174.66	4,200.00	24,974.66
Judgments Against the District	2,000,000.00	(400,198.39)	1,599,801.61	101,646.00	1,498,155.61
Miscellaneous Expenditures		22,995.00	22,995.00	21,259.00	1,736.00
BOE Membership Dues and Fees	50,000.00	(4,336.07)	45,663.93	26,662.70	19,001.23
<b>Total Undistributed Expenditures - Support Services - General Administration</b>	<b>5,972,649.00</b>	<b>79,855.60</b>	<b>6,052,504.60</b>	<b>3,245,479.24</b>	<b>2,807,025.36</b>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistance Principals	4,055,856.00	27,567.52	4,083,423.52	4,083,423.52	-
Salaries of Secretarial and Clerical Assistants	1,515,166.00	(27,567.52)	1,487,598.48	1,478,660.84	8,937.64
Other Purchased Prof. and Tech. Services	8,000.00	(4,000.00)	4,000.00		4,000.00
Other Purchased Services (400-500 series)	56,799.00	10,800.96	67,599.96	61,372.77	6,227.19
Travel	1,500.00		1,500.00	145.00	1,355.00
Supplies & Materials	214,224.00	30,295.20	244,519.20	137,015.52	107,503.68
Other Objects	57,175.00	10,500.00	67,675.00	52,703.63	14,971.37
<b>Total Undistributed Expenditures - Support Services - School Administration</b>	<b>5,908,720.00</b>	<b>47,596.16</b>	<b>5,956,316.16</b>	<b>5,813,321.28</b>	<b>142,994.88</b>
Undist. Expend. - Central Services					
Salaries	373,263.00	25,956.27	399,219.27	395,277.93	3,941.34
Salaries of Secretarial and Clerical Assistants	1,051,964.00	(34,719.60)	1,017,244.40	846,147.48	171,096.92
Other Salaries	88,037.00	1,754.80	89,791.80	89,791.80	-
Other Purchased Prof. and Tech. Services	156,000.00	(12,034.00)	143,966.00	32,228.00	111,738.00
Purchased Prof. and Tech. Services	16,400.00	439.00	16,839.00	16,839.00	-
Miscellaneous Purchased Services (400-500 series)	202,235.00	8,804.00	211,039.00	63,939.02	147,099.98
Travel	22,100.00		22,100.00	2,289.44	19,810.56
Supplies and Materials	48,000.00	15,037.94	63,037.94	35,969.08	27,068.86
Miscellaneous Expenditures	109,200.00	(8,804.00)	100,396.00	8,535.00	91,861.00
<b>Total Undistributed Expenditures - Central Services</b>	<b>2,067,199.00</b>	<b>(3,565.59)</b>	<b>2,063,633.41</b>	<b>1,491,016.75</b>	<b>572,616.66</b>
Undist. Expend. - Admin. Info. Technology					
Salaries	351,555.00	7,008.53	358,563.53	358,563.53	-
Purchased Technical Services	534,075.00	(285.00)	533,790.00	314,630.14	219,159.86
Travel	2,500.00	10,685.00	13,185.00	13,185.00	-
Supplies and Materials	69,500.00	(10,400.00)	59,100.00	50,728.11	8,371.89
Other Objects	3,500.00		3,500.00		3,500.00
<b>Total Undistributed Expenditures - Admin Info. Tech.</b>	<b>961,130.00</b>	<b>7,008.53</b>	<b>968,138.53</b>	<b>737,106.78</b>	<b>231,031.75</b>
Undist. Expend. - Required Maint. School Fac.					
Salaries	782,514.00	21,502.19	804,016.19	804,016.19	-
Cleaning, Repair and Maintenance Service	3,254,004.00	2,129,707.01	5,383,711.01	2,852,372.75	2,531,338.26
General Supplies	325,000.00	(65,528.23)	259,471.77	195,820.92	63,650.85
Other Objects	13,630.00	(7,000.00)	6,630.00	5,810.00	820.00
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>4,375,148.00</b>	<b>2,078,680.97</b>	<b>6,453,828.97</b>	<b>3,858,019.86</b>	<b>2,595,809.11</b>
Undist. Expend. - Custodial Services					
Salaries	4,312,523.00	(22,732.19)	4,289,790.81	3,939,670.75	350,120.06
Purchased Professional and Technical Services	24,261.00	27,944.00	52,205.00	41,871.03	10,333.97
Cleaning, Repairs & Maintenance	307,500.00	(43,750.55)	263,749.45	206,696.92	57,052.53
Rental of Land, Buildings & Other than Leases	800,000.00	(73,659.76)	726,340.24	726,226.24	114.00
Other Purchased Property Services	409,470.00	329,875.01	739,345.01	453,487.02	285,857.99
Insurance	1,000,000.00	2,627.78	1,002,627.78	1,002,627.78	-
Miscellaneous Purchased Services	16,963.00	(1,330.97)	15,632.03	3,145.14	12,486.89
General Supplies	347,886.00	151,777.13	499,663.13	417,588.84	82,074.29
Energy (Energy and Electricity)	3,000,000.00	(510,315.50)	2,489,684.50	2,489,684.50	-
Energy (Oil)	5,000.00	(1,000.00)	4,000.00	1,255.53	2,744.47
Energy (Natural Gas)	700,000.00	(110,000.00)	590,000.00	566,112.16	23,887.84
Other Objects	6,960.00	2,500.00	9,460.00	8,936.00	524.00
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>10,930,563.00</b>	<b>(248,065.05)</b>	<b>10,682,497.95</b>	<b>9,857,301.91</b>	<b>825,196.04</b>

See Accompanying Auditor's Report

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	269,427.00		269,427.00	228,125.95	41,301.05
Purchased Professional and Technical Services	1,500.00		1,500.00	1,200.00	300.00
Cleaning, Repairs & Maintenance	50,000.00	5,000.00	55,000.00	53,542.64	1,457.36
General Supplies	35,507.00	(13,500.00)	22,007.00	11,268.59	10,738.41
<b>Total Undist. Expend. - Care &amp; Upkeep of Grounds</b>	<b>356,434.00</b>	<b>(8,500.00)</b>	<b>347,934.00</b>	<b>294,137.18</b>	<b>53,796.82</b>
Undist. Expend. - Security					
Salaries	2,197,653.00	1,230.00	2,198,883.00	2,078,370.71	120,512.29
Purchased Professional and Technical Services	30,540.00	15,004.00	45,544.00	38,936.11	6,607.89
Cleaning, Repairs & Maintenance	224,500.00	171,871.65	396,371.65	318,748.85	77,622.80
Travel	11,000.00	(8,500.00)	2,500.00	2,389.09	110.91
General Supplies	55,700.00	95,863.31	151,563.31	112,565.16	38,998.15
Other Objects	4,685.00	(20.00)	4,665.00	4,665.00	-
<b>Total Undist. Expend. - Security</b>	<b>2,524,078.00</b>	<b>275,448.96</b>	<b>2,799,526.96</b>	<b>2,555,674.92</b>	<b>243,852.04</b>
<b>Total Undistributed Expenditures</b>					
Operations and Maintenance of Plant	18,186,223.00	2,097,564.88	20,283,787.88	16,565,133.87	3,718,654.01
Undist. Expend. - Student Transportation Serv.					
Other Salaries	141,031.00		141,031.00	112,284.00	28,747.00
Management Fee		133,636.00	133,636.00	92,348.46	41,287.54
Other Purchased Professional and Tech. Services	14,000.00		14,000.00	10,400.00	3,600.00
Contracted Services - (Bet. Home & School) -Vendors	4,118,242.00	(808,524.62)	3,309,717.38	3,274,835.86	34,881.52
Contracted Services - (Other than Home & Sch) Vendors	880,033.00	(73,000.00)	807,033.00	346,105.53	460,927.47
Contracted Services - (Bet. Home & School) -Special Ed	197,358.00	(136,614.00)	60,744.00	38,636.10	22,107.90
Contracted Services - (Bet. Home & School) - Joint Agree	31,569.00	64,027.00	95,596.00	10,991.50	84,604.50
Contracted Services - Special Ed- Joint Agreements	2,449,942.00	847,475.62	3,297,417.62	3,297,417.62	-
Contr. Serv. - Aid in Lieu Payments - Non Pub. Sch.	81,242.00	1,500.00	82,742.00	63,516.64	19,225.36
Contr. Serv. - Aid in Lieu Payments - Charter Schools	138,059.00		138,059.00		138,059.00
Contr. Serv. - Aid in Lieu Payments - Choice Schools	8,418.00		8,418.00	1,000.00	7,418.00
Misc. Purchased Service - Transportation	1,087.00	(200.00)	887.00	150.00	737.00
General Supplies	15,000.00	(500.00)	14,500.00	2,331.05	12,168.95
Other Objects		700.00	700.00	700.00	-
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>8,075,981.00</b>	<b>28,500.00</b>	<b>8,104,481.00</b>	<b>7,250,716.76</b>	<b>853,764.24</b>
Unallocated Benefits					
Group Insurance	50,000.00		50,000.00	214.67	49,785.33
Social Security Contribution	1,683,843.00		1,683,843.00	1,683,843.00	-
Other Retirement Contributions - PERS	2,500,000.00		2,500,000.00	2,401,292.08	98,707.92
Other Retirement Contributions - DCRP	20,000.00		20,000.00	10,667.69	9,332.31
Unemployment Compensation	125,000.00		125,000.00		125,000.00
Workmen's Compensation	3,600,000.00		3,600,000.00	2,919,903.72	680,096.28
Health Benefits	15,062,151.00		15,062,151.00	14,085,532.26	976,618.74
Tuition Reimbursement	600,000.00		600,000.00	160,856.85	439,143.15
Other Employee Benefits	700,000.00		700,000.00	291,243.59	408,756.41
<b>Total Unallocated Benefits</b>	<b>24,340,994.00</b>	<b>-</b>	<b>24,340,994.00</b>	<b>21,553,553.86</b>	<b>2,787,440.14</b>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
On-Behalf Contributions					
TPAF Pension (On-Behalf - Non-Budgeted)					
Pension Contribution			-	22,842,360.00	(22,842,360.00)
Post Retirement Medical			-	6,000,633.00	(6,000,633.00)
Long Term Disability			-	5,390.00	(5,390.00)
Reimbursed TPAF Social Security Cont.(non-bud)				5,039,192.96	(5,039,192.96)
Total On-Behalf Contributions	-	-	-	33,887,575.96	(33,887,575.96)
Total Personal Services - Employee Benefits	24,340,994.00	-	24,340,994.00	55,441,129.82	(31,100,135.82)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>89,943,766.00</b>	<b>2,345,694.97</b>	<b>92,289,460.97</b>	<b>109,510,477.07</b>	<b>(17,221,016.10)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>164,955,716.00</b>	<b>2,447,269.09</b>	<b>167,402,985.09</b>	<b>175,394,751.02</b>	<b>(7,991,765.93)</b>
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
Grades 1-5	5,500.00	14,886.15	20,386.15	4,150.00	16,236.15
Grades 6-8	700,795.00	(5,000.00)	695,795.00	601,387.42	94,407.58
Grades 9-12	45,914.00	3,528.00	49,442.00	3,528.20	45,913.80
Multiple Disabilities		2,297.00	2,297.00	2,297.00	-
Athletic Equipment	50,000.00		50,000.00	25,646.27	24,353.73
Undistributed - Support Services - Instructional Staff		5,088.52	5,088.52	4,378.52	710.00
Undistributed - Support Services - Data Center	33,291.00	17,430.00	50,721.00	4,580.00	46,141.00
Undistributed - Support Services - General Admin		16,768.96	16,768.96	16,768.96	-
Undistributed - Support Services - School Admin		15,000.00	15,000.00		15,000.00
Undistributed - Support Services - Custodial Service	236,000.00	424,207.81	660,207.81	242,165.37	418,042.44
Undistributed - Support Services - Required Maintenance	1,353,000.00	786,320.64	2,139,320.64	1,041,674.07	1,097,646.57
Undistributed - Support Services - Security	138,125.00	(112,348.75)	25,776.25	21,487.25	4,289.00
Total Equipment	2,562,625.00	1,168,178.33	3,730,803.33	1,968,063.06	1,762,740.27
<b>Facilities Acquisition and Construction Services</b>					
Construction Services	6,375,000.00	760,321.32	7,135,321.32	745,084.88	6,390,236.44
Assessment for Debt Service on SDA Funding	73,597.00		73,597.00	73,597.00	-
Total Facilities Acquisition and Construction Services	6,448,597.00	760,321.32	7,208,918.32	818,681.88	6,390,236.44
<b>TOTAL CAPITAL OUTLAY</b>	<b>9,011,222.00</b>	<b>1,928,499.65</b>	<b>10,939,721.65</b>	<b>2,786,744.94</b>	<b>8,152,976.71</b>
Transfer of Funds to Charter Schools	12,485,589.00		12,485,589.00	11,359,213.00	1,126,376.00
<b>TOTAL EXPENDITURES</b>	<b>186,452,527.00</b>	<b>4,375,768.74</b>	<b>190,828,295.74</b>	<b>189,540,708.96</b>	<b>1,287,586.78</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>13,243,081.00</b>	<b>(4,375,768.74)</b>	<b>8,867,312.26</b>	<b>46,415,150.78</b>	<b>37,547,838.52</b>
<b>Other Financing Sources:</b>					
<b>Operating Transfers In (Out):</b>					
Increase in Capital Reserve	(30,257,726.00)		(30,257,726.00)		30,257,726.00
Increase in Maintenance Reserve	(2,001,000.00)		(2,001,000.00)		2,001,000.00
Transfer to Capital Projects Fund	(4,975,000.00)		(4,975,000.00)	(4,975,000.00)	-
Transfer to Debt Service Fund	(507,138.00)		(507,138.00)	(507,138.00)	-
Special Revenue Fund - Local Contribution	(269,900.00)		(269,900.00)		269,900.00
Total Other Financing Sources:	<b>(38,010,764.00)</b>	<b>-</b>	<b>(38,010,764.00)</b>	<b>(5,482,138.00)</b>	<b>32,528,626.00</b>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(24,767,683.00)	(4,375,768.74)	(29,143,451.74)	40,933,012.78	70,076,464.52
Fund Balance July 1	112,053,839.06	-	112,053,839.06	112,053,839.06	-
Fund Balance June 30	<u>\$ 87,286,156.06</u>	<u>\$ (4,375,768.74)</u>	<u>\$ 82,910,387.32</u>	<u>\$ 152,986,851.84</u>	<u>\$ 70,076,464.52</u>
Recapitulation:					
Restricted Fund Balance:					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 10,000,000.00	
Reserve for Excess Surplus				19,102,846.43	
Maintenance Reserve				8,002,000.00	
Capital Reserve				100,373,040.31	
Emergency Reserve				1,000,000.00	
Tuition Reserve - Year 1				1,000,000.00	
Tuition Reserve - Year 2				1,000,000.00	
Unemployment				2,577,630.75	
Committed Fund Balance:					
Encumbrances				2,575,137.37	
Reserved for Future Expenditures - Death Benefits				275,000.00	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				3,148,795.00	
Unassigned Fund Balance				3,932,401.98	
				<u>152,986,851.84</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP basis				(9,216,268.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 143,770,583.84</u>	

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
Special Revenue Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 269,900.00	\$ 300,307.12	\$ 570,207.12	\$ 321,979.23	\$ (248,227.89)
State Sources	8,167,151.00	323,249.00	8,490,400.00	6,472,370.04	(2,018,029.96)
Federal Sources	35,706,069.00	25,882,275.65	61,588,344.65	29,443,525.01	(32,144,819.64)
<b>Total Revenues</b>	<b>44,143,120.00</b>	<b>26,505,831.77</b>	<b>70,648,951.77</b>	<b>36,237,874.28</b>	<b>(34,411,077.49)</b>
<b>EXPENDITURES:</b>					
Federal Programs:					
Title I - Part A	4,012,964.00	5,325,844.00	9,338,808.00	9,254,396.30	84,411.70
Title I - SIA	901,170.00	1,069,530.00	1,970,700.00	901,605.77	1,069,094.23
Title IIA	293,548.00	367,825.00	661,373.00	357,531.27	303,841.73
Title III	215,783.00	170,131.91	385,914.91	257,940.37	127,974.54
Title IV	289,909.00	253,070.00	542,979.00	475,195.08	67,783.92
IDEA	1,515,532.00	550,052.00	2,065,584.00	1,766,863.26	298,720.74
IDEA - Preschool	35,591.00	47,903.00	83,494.00	33,789.21	49,704.79
Perkins Grant	50,666.00	26,129.00	76,795.00	57,187.46	19,607.54
COPS Grant		494,824.00	494,824.00	358,179.50	136,644.50
CARES Grant		14,941.06	14,941.06	14,344.11	596.95
ARP:					
IDEA	232,059.00	0.39	232,059.39	227,059.39	5,000.00
IDEA - Preschool	26,557.00	4,215.72	30,772.72	3,294.98	27,477.74
ESSER	15,083,241.00	15,147,589.85	30,230,830.85	3,910,708.63	26,320,122.22
Accelerated Learning	752,094.00		752,094.00		752,094.00
Evidenced Based Learning	102,554.00		102,554.00		102,554.00
Mental Health	445,613.00		445,613.00		445,613.00
HCY		155,176.00	155,176.00	70,810.00	84,366.00
CRRSA:					
ESSER II	10,720,912.00	2,553,486.41	13,274,398.41	11,603,766.14	1,670,632.27
Learning Acceleration	982,876.00		982,876.00	105,853.54	877,022.46
Mental Health	45,000.00		45,000.00	45,000.00	-

See Accompanying Auditor's Report



**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
State Programs:					
Preschool Education Aid	\$ 8,335,473.00	-	\$ 8,335,473.00	\$ 6,387,084.44	\$ 1,948,388.56
Nonpublic Aid:					
Textbooks	6,722.00	(254.00)	6,468.00	1,358.43	5,109.57
Nursing	11,722.00	(746.00)	10,976.00	10,913.18	62.82
Technology Aid	4,704.00	(588.00)	4,116.00		4,116.00
Security Aid	19,600.00	490.00	20,090.00	19,892.81	197.19
Chapter 192 - Comp. Ed.	47,151.00	2,265.00	49,416.00	31,341.18	18,074.82
Chapter 192 - ESL	7,046.00	3,979.00	11,025.00	11,025.00	-
Chapter 193 - Examination & Classification	2,316.00	5,649.00	7,965.00	7,965.00	-
Chapter 193 - Corrective Speech	2,317.00	473.00	2,790.00	2,790.00	-
Local Programs:					
ROTC		17,754.03	17,754.03		17,754.03
Other		5,091.40	5,091.40	3,783.11	1,308.29
Student Activities		220,000.00	220,000.00	217,145.47	2,854.53
Athletic Activities		70,000.00	70,000.00	69,211.00	789.00
Scholarships		1,000.00	1,000.00	750.00	250.00
<b>Total Expenditures</b>	<b>44,143,120.00</b>	<b>26,505,831.77</b>	<b>70,648,951.77</b>	<b>36,206,784.63</b>	<b>34,442,167.14</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,089.65</b>	<b>\$ 31,089.65</b>



## **Notes to the Required Supplementary Information**



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
Required Supplementary Information  
Budget-to-GAAP Reconciliation  
Note to RSI  
For the Year Ended June 30, 2023**

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

		General Fund		Special Revenue Fund
<b>Sources / inflows of resources</b>				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 235,955,859.74	[C-2]	\$ 36,237,874.28
<b>Difference - budget to GAAP:</b>				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				(7,219,169.74)
The Final State Aid payments for the Year Ended June 30, 2022 that were delayed until July 2022 were recorded as budgetary revenue for the Year Ended June 30, 2022 but are not recognized under GAAP until the Year Ended June 30, 2023.		6,887,768.00		695,205.00
The Final State Aid payments for the Year Ended June 30, 2023 that were delayed until July 2023 were recorded as budgetary revenue for the Year Ended June 30, 2023 but are not recognized under GAAP until the Year Ended June 30, 2024.		(9,216,268.00)		(681,493.00)
Unexpended Preschool Education Aid				(13,712.00)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 233,627,359.74	[B-2]	\$ 29,018,704.54
<b>Uses / outflows of resources</b>				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 189,540,708.96	[C-2]	\$ 36,206,784.63
<b>Difference - budget to GAAP:</b>				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes.		-		(7,219,169.74)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 189,540,708.96	[B-2]	\$ 28,987,614.89

See Accompanying Auditor's Report



## **Required Supplementary Information – Part III**





**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.1708355243%	0.1756431989%	0.1830101741%	0.1879433313%	0.1856382675%	0.1982052543%	0.2198805917%	0.2150378748%	0.2013476517%	0.1936405509%
District's proportionate of the net pension liability (asset)	\$ 25,781,432.00	\$ 20,807,570.00	\$ 29,844,173.00	\$ 33,864,537.00	\$ 36,551,250.00	\$ 46,139,015.00	\$ 65,063,090.00	\$ 48,271,694.00	\$ 37,697,787.00	\$ 37,008,557.00
District's covered payroll	\$ 13,406,241.00	\$ 13,608,882.00	\$ 12,841,029.00	\$ 13,230,989.00	\$ 13,342,700.00	\$ 12,816,325.00	\$ 13,455,045.00	\$ 15,128,605.00	\$ 14,605,444.00	\$ 13,347,370.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	192.31%	152.90%	232.41%	255.95%	273.94%	360.00%	483.56%	319.08%	258.11%	277.27%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 Schedule of District Contributions  
 Public Employee Retirement System  
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 2,154,318.00	\$ 2,056,986.00	\$ 2,002,039.00	1,828,135.00	1,846,501.00	1,836,160.00	1,996,909.73	1,848,749.00	1,659,881.00	1,459,042.00
Contributions in relation to the contractually required contribution	\$ 2,154,318.00	\$ 2,056,986.00	\$ 2,002,039.00	\$ 1,828,135.00	\$ 1,846,501.00	\$ 1,836,160.00	\$ 1,996,909.73	\$ 1,848,749.00	\$ 1,659,881.00	\$ 1,459,042.00
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 13,406,241.00	\$ 13,608,882.00	\$ 12,841,029.00	\$ 13,230,989.00	\$ 13,342,700.00	\$ 12,816,325.00	\$ 13,455,045.00	\$ 15,128,605.00	\$ 14,605,444.00	\$ 13,347,370.00
Contributions as a percentage of covered-employee payroll	16.07%	15.12%	15.59%	13.82%	13.84%	14.33%	14.84%	12.22%	11.36%	10.93%

Source: GASB 68 report on Public Employees' Retirement System; District records

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Ten Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 297,788,806.00	\$ 286,671,703.00	\$ 395,382,162.00	\$ 356,036,330.00	\$ 389,345,138.00	\$ 463,134,704.00	\$ 538,896,377.00	\$ 415,447,236.00	\$ 342,788,494.00	\$ 305,445,923.00
Total	\$ 297,788,806.00	\$ 286,671,703.00	\$ 395,382,162.00	\$ 356,036,330.00	\$ 389,345,138.00	\$ 463,134,704.00	\$ 538,896,377.00	\$ 415,447,236.00	\$ 342,788,494.00	\$ 305,445,923.00
District's covered payroll	\$ 68,974,463.00	\$ 69,236,147.00	\$ 64,429,413.00	\$ 64,723,091.00	\$ 64,681,664.00	\$ 60,786,811.00	\$ 64,301,130.82	\$ 71,070,263.00	\$ 68,438,348.00	\$ 64,928,089.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Source: GASB 68 report on Public Employees' Retirement System; District records

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability**  
**Public Employee Retirement System and Teachers' Pension and Annuity Fund**  
**Last Seven Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -		\$ -	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 257,682,549.00</u>	<u>\$ 306,261,409.00</u>	<u>\$ 341,884,773.00</u>	<u>\$ 211,621,529.00</u>	<u>235,166,692.00</u>	<u>271,481,780.00</u>	<u>292,180,524.00</u>
Total	<u>\$ 257,682,549.00</u>	<u>\$ 306,261,409.00</u>	<u>\$ 341,884,773.00</u>	<u>\$ 211,621,529.00</u>	<u>235,166,692.00</u>	<u>271,481,780.00</u>	<u>292,180,524.00</u>
District's covered payroll	82,380,704.00	82,845,029.00	77,270,442.00	77,954,080.00	78,024,364.00	73,603,136.00	77,756,175.82
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:							
Service Cost	13,627,877.00	15,592,075.00	8,688,256.00	8,627,519.00	9,975,604.00	11,975,874.00	-
Interest Cost	6,828,872.00	7,944,744.00	7,610,709.00	9,314,019.00	9,968,460.00	8,582,758.00	-
Change in Benefit Terms		(325,978.00)					-
Differences between Expected & Actual	6,637,248.00	(53,081,230.00)	57,285,208.00	(38,338,409.00)	(23,201,656.00)	-	-
Changes in Assumptopns	(69,125,656.00)	302,150.00	62,450,600.00	3,155,294.00	(26,986,555.00)	(35,200,825.00)	-
Member Contributions	216,999.00	203,108.00	180,403.00	192,564.00	217,333.00	231,543.00	-
Benefit Payments	(6,764,200.00)	(6,258,233.00)	(5,951,932.00)	(6,496,150.00)	(6,288,274.00)	(6,288,094.00)	-
Change in Total Opeb Liability	<u>(48,578,860.00)</u>	<u>(35,623,364.00)</u>	<u>130,263,244.00</u>	<u>(23,545,163.00)</u>	<u>(36,315,088.00)</u>	<u>(20,698,744.00)</u>	-
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	<u>306,261,409.00</u>	<u>341,884,773.00</u>	<u>211,621,529.00</u>	<u>235,166,692.00</u>	<u>271,481,780.00</u>	<u>292,180,524.00</u>	-
Ending Balance	<u>\$ 257,682,549.00</u>	<u>\$ 306,261,409.00</u>	<u>\$ 341,884,773.00</u>	<u>\$ 211,621,529.00</u>	<u>\$ 235,166,692.00</u>	<u>\$ 271,481,780.00</u>	\$ -
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	312.79%	369.68%	442.45%	271.47%	301.40%	368.85%	0.00%

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.  
However, information is only currently available for six years.  
Additional years will be presented as they become available.

## **Other Supplementary Information**



## **SPECIAL REVENUE FUND DETAIL STATEMENTS**

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





**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Title I Part A	Title I SIA	ARP IDEA	ARP IDEA Preschool	IDEA	IDEA Preschool	CRRSA ESSER II	ARP ESSER
<b>REVENUES:</b>								
Local Sources								
State Sources								
Federal Sources	\$ 9,254,396.30	\$ 901,605.77	\$ 227,059.39	\$ 3,294.98	\$ 1,766,863.26	\$ 33,789.21	\$ 11,603,766.14	\$ 3,910,708.63
Total Revenues	<u>9,254,396.30</u>	<u>901,605.77</u>	<u>227,059.39</u>	<u>3,294.98</u>	<u>1,766,863.26</u>	<u>33,789.21</u>	<u>11,603,766.14</u>	<u>3,910,708.63</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	1,197,174.05	2,935.68			58,209.11			
Other Salaries for Instruction	240,107.95				6,991.64			
Purchased Professional & Technical Services	1,030,902.00	2,040.00	223,528.11	-		22,282.00	2,732,847.40	19,802.50
Other Purchased Services (400-500 Series)	346,956.70						41,725.50	58,454.55
Tuition					1,523,099.00			
General Supplies	2,548,203.78	124,318.47	2,792.34	3,294.98	21,911.96	9,111.71	4,800,035.90	3,165,231.88
Textbooks	1,130.00	4,694.50				883.00		
Other Objects								
Total Instruction	<u>5,364,474.48</u>	<u>133,988.65</u>	<u>226,320.45</u>	<u>3,294.98</u>	<u>1,610,211.71</u>	<u>32,276.71</u>	<u>7,574,608.80</u>	<u>3,243,488.93</u>
Support Services:								
Salaries of Other Professional Staff	1,788,851.70	199,210.00			98,114.34			
Salaries of Secretarial and Clerical Assistants								
Other Salaries	214,518.56	270,726.75					89,831.93	188,010.46
Salaries of Master Teachers								
Personal Services - Employee Benefits	1,176,817.61	154,625.00			58,337.21	1,512.50	6,872.15	20,462.30
Purchased Professional Educational Services	24,550.00	50,422.74	738.94		200.00		2,596,390.60	254,962.13
Cleaning Repairs & Maintenance							599,946.91	13,711.26
Contracted Services - Trans. - Field Trips								
Other Purchased Services (400-500 series)	54,983.24	40,659.68					184,993.16	68,001.13
Supplies & Materials	23,329.71	51,972.95					117,129.55	40,863.49
Other Objects								
Total Support Services	<u>3,283,050.82</u>	<u>767,617.12</u>	<u>738.94</u>	<u>-</u>	<u>156,651.55</u>	<u>1,512.50</u>	<u>3,595,164.30</u>	<u>586,010.77</u>
Facilities Acquisitions and Construction Services:								
Instructional Equipment	606,871.00						235,784.73	54,598.95
Non Instructional Equipment							198,208.31	26,609.98
Total Facilities Acquisitions and Const. Services:	<u>606,871.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>433,993.04</u>	<u>81,208.93</u>
Total Expenditures	<u>9,254,396.30</u>	<u>901,605.77</u>	<u>227,059.39</u>	<u>3,294.98</u>	<u>1,766,863.26</u>	<u>33,789.21</u>	<u>11,603,766.14</u>	<u>3,910,708.63</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Title II	Title III	CARES Act	Title IV	Perkins	CRRSA Learning Accelerator	CRRSA Mental Health	COPS Grant
<b>REVENUES:</b>								
Local Sources								
State Sources								
Federal Sources	\$ 357,531.27	\$ 257,940.37	14,344.11	\$ 475,195.08	57,187.46	105,853.54	45,000.00	358,179.50
Total Revenues	<u>357,531.27</u>	<u>257,940.37</u>	<u>14,344.11</u>	<u>475,195.08</u>	<u>57,187.46</u>	<u>105,853.54</u>	<u>45,000.00</u>	<u>358,179.50</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers				265,760.93		9,197.07		
Other Salaries for Instruction					7,476.00			
Purchased Professional & Technical Services								
Other Purchased Services (400-500 Series)					20,953.72	68,852.90		
Tuition								
General Supplies		52,526.27	14,344.11	37,276.80				
Textbooks		2,555.79						
Other Objects								
Total Instruction	-	<u>55,082.06</u>	<u>14,344.11</u>	<u>303,037.73</u>	<u>28,429.72</u>	<u>78,049.97</u>	-	-
Support Services:								
Salaries of Other Professional Staff								
Salaries of Secretarial and Clerical Assistants								
Other Salaries	166,766.67	58,471.77		127,914.56	9,198.09			
Salaries of Master Teachers		66,876.00						
Personal Services - Employee Benefits	14,647.54	44,186.78		30,116.79	703.65	703.57		
Purchased Professional Educational Services	154,700.06						43,726.26	132,557.00
Cleaning Repairs & Maintenance								
Contracted Services - Trans. - Field Trips	2,827.00	33,323.76		4,320.00	8,136.00		1,273.74	
Other Purchased Services (400-500 series)	18,590.00				180.00			206,258.31
Supplies & Materials					1,490.00			
Other Objects								
Total Support Services	<u>357,531.27</u>	<u>202,858.31</u>	-	<u>162,351.35</u>	<u>19,707.74</u>	<u>703.57</u>	<u>45,000.00</u>	<u>338,815.31</u>
Facilities Acquisitions and Construction Services:								
Instructional Equipment				9,806.00	\$ 9,050.00	\$ 27,100.00		
Non Instructional Equipment								
Total Facilities Acquisitions and Const. Services:				<u>9,806.00</u>	<u>9,050.00</u>	<u>27,100.00</u>		<u>19,364.19</u>
Total Expenditures	<u>357,531.27</u>	<u>257,940.37</u>	<u>14,344.11</u>	<u>475,195.08</u>	<u>57,187.46</u>	<u>105,853.54</u>	<u>45,000.00</u>	<u>358,179.50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	ARP HCY	Non- Public Examination & Classification	Non- Public Nursing	Non- Public Security Aid	Non- Public Textbooks	Non- Public Speech	Non- Public ESL	Non- Public Compensatory Education
<b>REVENUES:</b>								
Local Sources								
State Sources								
Federal Sources								
	70,810.00	\$ 7,965.00	\$ 10,913.18	\$ 19,892.81	\$ 1,358.43	\$ 2,790.00	\$ 11,025.00	\$ 31,341.18
	<u>70,810.00</u>	<u>7,965.00</u>	<u>10,913.18</u>	<u>19,892.81</u>	<u>1,358.43</u>	<u>2,790.00</u>	<u>11,025.00</u>	<u>31,341.18</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers								
Other Salaries for Instruction								
Purchased Professional & Technical Services								
Other Purchased Services (400-500 Series)								
Tuition								
General Supplies					1,358.43			
Textbooks								
Other Objects								
	-	-	-	-	1,358.43	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,358.43</u>	<u>-</u>	<u>-</u>	<u>29,551.30</u>
Support Services:								
Salaries of Other Professional Staff		7,965.00	10,913.18			2,790.00		
Salaries of Secretarial and Clerical Assistants								
Other Salaries								
Salaries of Master Teachers								
Personal Services - Employee Benefits				8,049.00				1,789.88
Purchased Professional Educational Services								
Cleaning Repairs & Maintenance								
Contracted Services - Trans. - Field Trips								
Other Purchased Services (400-500 series)				11,843.81				
Supplies & Materials	70,810.00							
Other Objects								
	<u>70,810.00</u>	<u>7,965.00</u>	<u>10,913.18</u>	<u>19,892.81</u>	<u>-</u>	<u>2,790.00</u>	<u>-</u>	<u>1,789.88</u>
Facilities Acquisitions and Construction Services:								
Instructional Equipment								
Non Instructional Equipment								
	-	-	-	-	-	-	-	-
	<u>70,810.00</u>	<u>7,965.00</u>	<u>10,913.18</u>	<u>19,892.81</u>	<u>1,358.43</u>	<u>2,790.00</u>	<u>11,025.00</u>	<u>31,341.18</u>
Total Expenditures								
Excess (Deficiency) of Revenues Over (Under) Expenditures								
	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Tanger	Atlantiscare	Climate Change Grant	Student Activities	Athletic Activities	Scholarship Accounts	Preschool Education Aid	Totals
<b>REVENUES:</b>								
Local Sources	\$ 839.55	\$ 443.56	\$ 2,500.00	\$ 249,386.28	\$ 68,120.34	689.50	6,387,084.44	\$ 321,979.23
State Sources								6,472,370.04
Federal Sources								29,443,525.01
<b>Total Revenues</b>	<b>839.55</b>	<b>443.56</b>	<b>2,500.00</b>	<b>249,386.28</b>	<b>68,120.34</b>	<b>689.50</b>	<b>6,387,084.44</b>	<b>36,237,874.28</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers							2,513,857.60	4,087,469.44
Other Salaries for Instruction							1,070,631.72	1,317,731.31
Purchased Professional & Technical Services							18,050.00	4,055,129.31
Other Purchased Services (400-500 Series)							23,148.30	472,325.05
Tuition								1,523,099.00
General Supplies							243,260.04	11,112,114.86
Textbooks								1,358.43
Other Objects								9,263.29
<b>Total Instruction</b>							<b>3,868,947.66</b>	<b>22,578,490.69</b>
Support Services:								
Salaries of Other Professional Staff							615,690.70	2,723,534.92
Salaries of Secretarial and Clerical Assistants							90,621.68	90,621.68
Other Salaries							49,827.96	1,175,266.75
Salaries of Master Teachers							295,686.00	362,562.00
Personal Services - Employee Benefits							1,235,752.65	2,745,015.13
Purchased Professional Educational Services							18,027.50	3,145,230.73
Cleaning Repairs & Maintenance								754,264.17
Contracted Services - Trans. - Field Trips			2,500.00				15,460.65	15,460.65
Other Purchased Services (400-500 series)	839.55	443.56		217,145.47	69,211.00	750.00	104,051.85	573,379.56
Supplies & Materials							93,017.79	566,968.72
Other Objects								288,596.47
<b>Total Support Services</b>	<b>839.55</b>	<b>443.56</b>	<b>2,500.00</b>	<b>217,145.47</b>	<b>69,211.00</b>	<b>750.00</b>	<b>2,518,136.78</b>	<b>12,440,900.78</b>
Facilities Acquisitions and Construction Services:								
Instructional Equipment								943,210.68
Non Instructional Equipment								244,182.48
<b>Total Facilities Acquisitions and Const. Services:</b>								<b>1,187,393.16</b>
<b>Total Expenditures</b>	<b>839.55</b>	<b>443.56</b>	<b>2,500.00</b>	<b>217,145.47</b>	<b>69,211.00</b>	<b>750.00</b>	<b>6,387,084.44</b>	<b>36,206,784.63</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	32,240.81	(1,090.66)	(60.50)	-	31,089.65
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ 32,240.81	\$ (1,090.66)	\$ (60.50)	\$ -	\$ 31,089.65

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Preschool Education Aid**  
**Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Total		
	Budgeted	Actual	Variance
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of Teachers	\$ 2,900,141.00	\$ 2,513,857.60	\$ 386,283.40
Other Salaries for Instruction	1,157,559.00	1,070,631.72	86,927.28
Purchased Professional & Technical Services	36,000.00	18,050.00	17,950.00
Other Purchased Services (400-500 Series)	35,000.00	23,148.30	11,851.70
General Supplies	1,146,545.00	243,260.04	903,284.96
<b>Total Instruction</b>	<u>5,275,245.00</u>	<u>3,868,947.66</u>	<u>1,406,297.34</u>
Support Services:			
Salaries of Other Professional Staff	726,297.00	615,690.70	110,606.30
Salaries of Secretarial and Clerical Assistants	94,348.00	90,621.68	3,726.32
Salaries of Master Teachers	326,538.00	295,686.00	30,852.00
Other Salaries	52,323.00	49,827.96	2,495.04
Personal Services - Employee Benefits	1,481,454.00	1,235,752.65	245,701.35
Other Purchased Professional - Ed. Services	47,250.00	18,027.50	29,222.50
Cleaning Repairs & Maintenance	30,390.00		30,390.00
Contracted Services - Trans. - Field Trips	17,260.00	15,460.65	1,799.35
Other Purchased Services (400-500 Series)	145,240.00	104,051.85	41,188.15
Supplies and Materials	139,128.00	93,017.79	46,110.21
<b>Total Support Services</b>	<u>3,060,228.00</u>	<u>2,518,136.78</u>	<u>542,091.22</u>
<b>Total Expenditures</b>	<u>\$ 8,335,473.00</u>	<u>\$ 6,387,084.44</u>	<u>\$ 1,948,388.56</u>

**CALCULATION OF BUDGET & CARRYOVER**

Total Revised 2022-23 Preschool Aid Allocation	\$ 6,814,975.00
Add: Actual Preschool Carryover June 30, 2022	<u>1,968,380.54</u>
Total Preschool Education Aid Funds Available for 2022-23 Budget	8,783,355.54
Less: 2022-2023 Budgeted Preschool Education Aid	<u>(8,335,473.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	447,882.54
Add: June 30, 2023 Unexpended Preschool Education Aid	<u>1,948,388.56</u>
2022-23 Actual Carryover - Preschool Education Aid	<u>\$ 2,396,271.10</u>
2022-23 Preschool Education Aid Carryover Budgeted for 2023-24	<u>\$ 717,783.00</u>

See Accompanying Auditor's Report



## **CAPITAL PROJECTS FUND DETAIL STATEMENTS**

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





**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Capital Projects Funds**  
**Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis**  
**Summary**  
**For the Year Ended June 30, 2023**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ -	\$ 4,975,000.00	\$ 4,975,000.00	\$ 4,975,000.00
Total Revenues	<u>-</u>	<u>4,975,000.00</u>	<u>4,975,000.00</u>	<u>4,975,000.00</u>
<b>Expenditures and Other Financing Uses</b>				
Project Expenditures		109,595.50	109,595.50	4,975,000.00
Total Expenditures	<u>-</u>	<u>109,595.50</u>	<u>109,595.50</u>	<u>4,975,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>4,865,404.50</u>	<u>4,865,404.50</u>	<u>-</u>
Net Project	<u>\$ -</u>	<u>\$ 4,865,404.50</u>	<u>\$ 4,865,404.50</u>	<u>\$ -</u>

See Accompanying Auditor's Report

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Capital Projects Funds**  
**Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis**  
**2022 Roofing Project**  
**For the Year Ended June 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ -	\$ 829,000.00	\$ 829,000.00	\$ 829,000.00
Total Revenues	<u>-</u>	<u>829,000.00</u>	<u>829,000.00</u>	<u>829,000.00</u>
<b>Expenditures and Other Financing Uses</b>				
Project Expenditures		5,700.00	5,700.00	829,000.00
Total Expenditures	<u>-</u>	<u>5,700.00</u>	<u>5,700.00</u>	<u>829,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>823,300.00</u>	<u>823,300.00</u>	<u>-</u>
Net Project	<u>\$ -</u>	<u>\$ 823,300.00</u>	<u>\$ 823,300.00</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	\$ -
Bonds Issued	-
Original Authorized Costs	851,172.00
Revised Authorized Cost	851,172.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	1%
Original Target Completion Date	2023
Revised Target Completion Date	2023

See Accompanying Auditor's Report

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Capital Projects Funds**  
**Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis**  
**Uptown School Complex**  
**For the Year Ended June 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ -	\$ 501,650.00	\$ 501,650.00	\$ 501,650.00
Total Revenues	<u>-</u>	<u>501,650.00</u>	<u>501,650.00</u>	<u>501,650.00</u>
<b>Expenditures and Other Financing Uses</b>				
Project Expenditures		10,800.00	10,800.00	501,650.00
Total Expenditures	<u>-</u>	<u>10,800.00</u>	<u>10,800.00</u>	<u>501,650.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>490,850.00</u>	<u>490,850.00</u>	<u>-</u>
Net Project	<u>\$ -</u>	<u>\$ 490,850.00</u>	<u>\$ 490,850.00</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	\$ -
Bonds Issued	-
Original Authorized Costs	501,650.00
Revised Authorized Cost	501,650.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	2%
Original Target Completion Date	2023
Revised Target Completion Date	2023

See Accompanying Auditor's Report

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Capital Projects Funds**  
**Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis**  
**MLK School Complex**  
**For the Year Ended June 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ -	\$ 3,644,350.00	\$ 3,644,350.00	\$ 3,644,350.00
<b>Total Revenues</b>	<u>-</u>	<u>3,644,350.00</u>	<u>3,644,350.00</u>	<u>3,644,350.00</u>
<b>Expenditures and Other Financing Uses</b>				
Project Expenditures	-	93,095.50	93,095.50	3,644,350.00
<b>Total Expenditures</b>	<u>-</u>	<u>93,095.50</u>	<u>93,095.50</u>	<u>3,644,350.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>3,551,254.50</u>	<u>3,551,254.50</u>	<u>-</u>
<b>Net Project</b>	<u>\$ -</u>	<u>\$ 3,551,254.50</u>	<u>\$ 3,551,254.50</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	\$ -
Bonds Issued	-
Original Authorized Costs	3,644,350.00
Revised Authorized Cost	3,644,350.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	3%
Original Target Completion Date	2023
Revised Target Completion Date	2023

See Accompanying Auditor's Report

## **PROPRIETARY FUND DETAIL STATEMENTS**

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

**Food Service Fund** - This fund provides for the operation of food services in all schools within the school district.

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



## **LONG-TERM DEBT SCHEDULES**

The long-term debt schedules are used to reflect the outstanding principal balance of the general long-term liabilities of the school district. This includes serial bonds outstanding, the outstanding principal balance on capital leases.





**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Schedule of General Serial Bonds**  
**For the Year Ended June 30, 2023**

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding June 30, 2023	Interest Rate	Balance		
					07/01/22	Decreased	
Refunding School Bonds 2019	5/22/2019	39,039,000.00	2,171,000	3.400%	\$ 34,506,000.00	\$ 2,087,000	\$ 32,419,000.00
			2,268,000	3.400%			
			2,348,000	3.400%			
			2,435,000	3.400%			
			2,510,000	3.400%			
			2,611,000	4.150%			
			2,726,000	4.150%			
			2,831,000	4.150%			
			2,949,000	4.150%			
			3,065,000	4.150%			
			3,189,000	4.150%			
			3,316,000	4.150%			
Refunding School Bonds 2021	4/1/2021	16,445,000.00	1,070,000	4.000%	15,415,000.00	1,035,000	14,380,000.00
			1,075,000	4.000%			
			1,105,000	4.000%			
			1,135,000	4.000%			
			1,180,000	4.000%			
			1,215,000	4.000%			
			1,265,000	4.000%			
			1,315,000	4.000%			
			1,310,000	4.000%			
			1,280,000	4.000%			
			1,240,000	4.000%			
			1,190,000	4.000%			
					\$ 49,921,000.00	3,122,000.00	\$ 46,799,000.00

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Schedule of Leases**  
**For the Year Ended June 30, 2023**

Purpose	Date of Issue	Amount of Original Issue	Balance June 30, 2022	Increased	Decreased	Balance June 30, 2023
Copiers	2021	287,924.22	\$	211,376.18	55,226.78	\$ 156,149.40
Copiers	2021	214,697.37		138,733.57	53,610.52	85,123.05
Copiers	1998	289,045.32		38,816.29	38,816.29	-
Copiers	1998	59,537.67		5,287.28	5,287.28	-
Administrative Offices	2021	3,293,318.12	2,674,307.07		588,668.96	2,085,638.11
Copiers	2023	374,522.58		374,522.58	43,446.84	331,075.74
			<u>\$ 2,674,307.07</u>	<u>\$ 768,735.90</u>	<u>\$ 785,056.67</u>	<u>\$ 2,657,986.30</u>

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 4,136,563.00	\$	\$ 4,136,563.00	\$ 4,136,563.00	\$ -
State Sources:					
Debt Service Aid Type II	387,776.00		387,776.00	387,776.00	-
	<u>387,776.00</u>	<u>-</u>	<u>387,776.00</u>	<u>387,776.00</u>	<u>-</u>
Total - State Sources	387,776.00	-	387,776.00	387,776.00	-
Total Revenues	<u>4,524,339.00</u>	<u>-</u>	<u>4,524,339.00</u>	<u>4,524,339.00</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	1,909,477.00	0.50	1,909,477.50	1,909,477.50	-
Redemption of Principal	3,122,000.00		3,122,000.00	3,122,000.00	-
	<u>5,031,477.00</u>	<u>0.50</u>	<u>5,031,477.50</u>	<u>5,031,477.50</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(507,138.00)</u>	<u>(0.50)</u>	<u>(507,138.50)</u>	<u>(507,138.50)</u>	<u>-</u>
Other Financing Sources (Uses):					
General Fund	507,138.00		507,138.00	507,138.00	-
Total Other Financing Sources (Uses):	<u>507,138.00</u>	<u>-</u>	<u>507,138.00</u>	<u>507,138.00</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>-</u>	<u>(0.50)</u>	<u>(0.50)</u>	<u>(0.50)</u>	<u>-</u>
Fund Balance, July 1	520,761.80	-	520,761.80	520,761.80	-
Fund Balance, June 30	<u>\$ 520,761.80</u>	<u>\$ (0.50)</u>	<u>\$ 520,761.30</u>	<u>\$ 520,761.30</u>	<u>\$ -</u>

See Accompanying Auditor's Report



## **Statistical Section**



**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-1

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 54,882,838.00	\$ 65,592,186.41	\$ 74,354,599.09	\$ 78,737,852.21	\$ 78,788,732.18	\$ 78,039,443.23	\$ 78,164,005.61	\$ 78,912,782.03	\$ 85,243,824.92	\$ 64,284,411.38
Restricted	32,690,749.24	22,519,928.32	9,354,507.62	4,781,702.60	25,200,576.44	35,539,161.48	35,753,535.33	57,524,614.00	99,851,989.15	154,178,512.09
Unrestricted	7,077,979.76	(23,933,304.97)	(17,029,969.62)	(30,605,365.92)	(42,864,035.64)	(41,167,558.29)	(39,456,326.94)	(44,307,783.02)	(32,808,411.88)	(38,506,254.15)
<b>Total governmental activities net position</b>	<b>\$ 94,451,567.00</b>	<b>\$ 64,178,809.76</b>	<b>\$ 66,679,137.05</b>	<b>\$ 52,914,188.89</b>	<b>\$ 61,125,272.98</b>	<b>\$ 72,411,046.42</b>	<b>\$ 74,461,214.00</b>	<b>\$ 92,129,613.01</b>	<b>\$ 152,287,402.19</b>	<b>\$ 179,956,669.32</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 181,382.00	\$ 196,608.00	\$ 162,660.00	\$ 84,734.00	\$ 613,074.00	\$ 579,301.00	\$ 568,789.00	\$ 553,849.30	\$ 534,962.00	\$ 1,131,104.00
Restricted	(308,679.98)	148,049.25	132,256.29	566,386.28	901,697.59	1,351,084.68	1,746,647.24	1,470,816.89	2,579,430.58	2,416,428.88
<b>Total business-type activities net position</b>	<b>\$ (127,297.98)</b>	<b>\$ 344,657.25</b>	<b>\$ 294,916.29</b>	<b>\$ 651,130.28</b>	<b>\$ 1,514,771.59</b>	<b>\$ 1,930,385.68</b>	<b>\$ 2,315,436.24</b>	<b>\$ 2,024,666.19</b>	<b>\$ 3,114,392.58</b>	<b>\$ 3,547,532.88</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 54,864,220.00	\$ 65,788,794.41	\$ 74,517,259.09	\$ 78,822,566.21	\$ 79,401,806.18	\$ 78,618,744.23	\$ 78,732,794.61	\$ 79,466,631.33	\$ 85,778,786.92	\$ 65,415,515.38
Restricted	32,690,749.24	22,519,928.32	9,354,507.62	4,781,702.60	25,200,576.44	35,539,161.48	35,753,535.33	57,524,614.00	99,851,989.15	154,178,512.09
Unrestricted	6,769,289.78	(23,785,255.72)	(16,897,713.33)	(30,038,969.94)	(41,662,332.05)	(39,816,463.61)	(37,709,679.70)	(42,836,966.13)	(30,228,981.30)	(36,089,825.27)
<b>Total district net position</b>	<b>\$ 94,324,269.02</b>	<b>\$ 64,523,467.01</b>	<b>\$ 66,974,053.36</b>	<b>\$ 53,365,319.17</b>	<b>\$ 62,640,044.57</b>	<b>\$ 74,341,442.10</b>	<b>\$ 76,776,650.24</b>	<b>\$ 94,194,279.20</b>	<b>\$ 155,401,794.77</b>	<b>\$ 163,504,202.20</b>

\* - Restated Unrestricted in 2014 for the effects of GASB 68

Source: ACFR Schedule A-1

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Changes in Net Position,**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental activities:										
Instruction:										
Regular:										
Special education	\$ 55,331,698.00	\$ 55,099,859.26	\$ 63,248,911.74	\$ 65,190,162.63	\$ 73,390,622.85	\$ 72,984,593.05	\$ 65,944,780.41	\$ 61,656,537.17	\$ 63,350,437.94	\$ 62,108,177.89
Other special education	20,847,052.00	24,032,922.96	30,402,522.35	36,228,692.15	31,678,214.71	37,534,892.87	36,405,288.75	32,283,356.10	34,065,094.74	42,407,984.25
Tuition	14,816,670.00	19,776,957.31	21,969,117.59	15,165,941.41	14,239,765.58	15,149,426.66	14,120,294.59	13,062,276.31	11,606,462.36	12,117,688.28
Support services:										
Tuition	13,242,855.84	11,225,927.85	12,285,017.11	12,674,162.07	13,208,303.77	15,780,498.66	15,029,126.62	16,540,705.75	16,654,651.10	18,266,923.53
Student & instruction related services	23,637,831.00	24,852,885.91	28,907,628.61	26,003,064.82	26,247,860.17	28,370,372.30	25,812,224.44	26,287,474.69	27,671,198.17	29,671,220.14
General administrative services	3,032,406.73	3,460,639.57	2,539,993.30	2,554,951.33	3,340,694.81	3,340,694.81	3,317,141.29	2,947,554.44	2,634,830.05	3,289,629.59
School administrative services	7,039,304.79	6,771,011.54	6,615,263.24	7,227,029.73	7,946,112.78	6,443,924.08	6,443,924.08	6,127,894.81	4,824,117.75	5,892,403.61
Central Services	2,538,104.67	2,650,558.80	2,662,333.94	3,467,547.16	3,037,784.21	2,884,571.23	2,884,571.23	2,695,730.71	2,025,516.12	2,258,434.12
Plant operations and maintenance	22,932,845.90	23,031,834.48	20,999,843.31	20,067,231.99	23,225,140.83	19,780,000.03	19,780,000.03	15,210,860.77	13,958,460.77	16,790,479.99
Pupil transportation	5,025,046.38	5,057,051.44	5,263,917.57	4,642,951.48	4,498,417.31	4,884,905.07	5,178,798.92	4,943,482.14	6,709,181.89	7,250,716.76
Capital Outlay	115,688.63	729,366.98	-	-	-	-	-	-	-	-
Interest on long-term debt	5,297,035.00	4,438,077.17	4,194,051.05	3,768,861.25	3,402,017.58	3,379,106.18	2,509,214.04	2,547,352.76	1,923,078.11	2,056,266.06
Unallocated depreciation	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	173,848,738.94	181,127,592.27	189,108,599.81	187,010,436.02	211,339,601.64	210,498,450.89	187,425,619.40	184,333,025.63	185,423,049.60	202,109,924.01
Business-type activities:										
Food service	5,361,535.07	6,059,444.57	6,259,345.84	5,997,473.20	5,842,256.92	5,729,042.66	5,603,054.05	5,020,855.89	6,632,929.78	6,833,719.87
Reading Recovery	25,404.35	52,246.10	20,214.89	20,566.78	7,742.24	20,566.78	6,225.16	4,379.72	3,190.00	5,777.87
Total business-type activities expenses	5,386,939.42	6,111,690.67	6,279,560.73	5,997,473.20	5,849,999.16	5,749,609.44	5,609,279.21	5,025,235.61	6,636,119.78	6,839,497.74
Total district expenses	179,235,678.36	187,239,282.94	205,388,160.54	203,007,969.22	217,189,600.80	216,248,060.13	203,034,898.61	189,358,261.24	192,059,169.38	208,949,421.75
<b>Program Revenues</b>										
Governmental activities:										
Operating grants and contributions	\$ 8,290,413.14	\$ 9,260,897.72	\$ 38,568,411.21	\$ 50,664,179.32	\$ 66,955,818.81	\$ 69,330,911.70	\$ 54,607,583.00	\$ 47,128,299.21	\$ 40,782,670.00	\$ 48,103,194.34
Charges for Services - Tuition	12,864,076.04	11,453,256.70	11,392,163.40	11,162,844.50	9,647,224.94	7,203,478.97	6,207,327.00	5,784,232.06	6,160,802.00	5,693,189.45
Capital grants and contributions	1,056,882.00	1,810,915.00	877,003.00	807,101.00	746,755.00	498,457.00	499,710.00	491,797.00	918,113.16	918,113.16
Total governmental activities program revenues	22,071,371.18	22,525,069.42	50,837,597.61	62,654,124.82	77,349,799.35	77,032,847.67	61,314,120.00	53,411,236.27	47,465,269.00	54,714,496.95
Business-type activities:										
Charges for services:										
Food service	570,989.74	425,687.89	510,870.63	414,910.91	333,263.50	340,203.04	305,713.40	282,054.35	220,107.33	359,578.72
Reading Recovery	46,550.00	55,288.00	1,800.00	3,600.00	1,800.00	38,000.00	9,600.00	9,600.00	900.00	-
Operating grants and contributions	4,639,631.17	5,252,066.01	5,717,149.14	5,938,776.28	5,773,475.97	5,743,338.49	5,619,477.37	4,462,811.21	7,224,348.71	6,494,367.47
Total business-type activities program revenue	5,257,150.91	5,733,041.90	6,229,819.77	6,353,687.19	6,108,539.47	6,121,541.53	5,928,700.77	4,734,465.56	7,445,356.04	6,853,946.19
Total district program revenue	27,328,522.09	28,258,111.32	57,067,417.38	69,007,812.01	83,458,338.82	83,154,389.20	67,242,810.77	58,145,701.83	54,900,625.04	61,568,443.14
<b>Net (Expense)/Revenue</b>										
Governmental activities	(151,777,367.76)	(158,602,922.85)	(148,271,002.20)	(134,356,371.20)	(133,989,802.29)	(133,465,603.02)	(136,111,499.40)	(130,921,789.36)	(137,967,780.60)	(147,395,427.06)
Business-type activities	(129,788.51)	(378,848.77)	(49,740.96)	356,213.99	258,540.31	371,932.09	319,511.56	(290,770.05)	809,236.26	14,448.45
Total district-wide net expense	\$ (151,907,156.27)	\$ (158,981,771.62)	\$ (148,320,743.16)	\$ (134,000,157.21)	\$ (133,731,261.98)	\$ (133,093,670.93)	\$ (135,791,987.84)	\$ (131,212,559.41)	\$ (137,158,544.34)	\$ (147,380,978.61)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 117,535,530.00	\$ 118,235,550.00	\$ 118,235,550.00	\$ 118,428,947.00	\$ 81,888,890.00	\$ 81,888,890.00	\$ 38,393,804.00	\$ 37,118,294.00	\$ 36,558,958.00	\$ 32,897,025.00
Casino Pilot	16,452,244.00	16,216,880.00	15,280,194.00	13,529,974.00	-	8,188,344.00	43,485,366.00	44,770,596.00	44,838,067.00	45,000,000.00
Taxes levied for debt service	28,152,952.00	29,236,305.18	30,472,710.00	18,426,353.22	38,247,687.35	52,043,413.83	5,896,595.00	5,896,595.00	4,576,449.00	4,136,563.00
Unrestricted grants and contributions	11,987,016.00	2,613,757.76	691,326.14	388,055.31	454,846.65	685,339.55	1,052,916.74	1,058,643.77	1,994,688.42	1,325,508.24
Miscellaneous income	(250,000.00)	(1,825,630.55)	50,604.00	-	-	-	-	-	-	-
Transfers & Adjustments	175,519,676.00	164,476,662.39	164,729,884.20	150,771,329.53	120,591,423.00	142,805,987.38	144,751,376.46	138,161,666.85	178,836,756.83	198,183,157.33
Total governmental activities	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00
Transfers	175,769,676.00	164,476,662.39	164,729,884.20	150,771,329.53	120,591,423.00	142,805,987.38	144,751,376.46	138,161,666.85	178,836,756.83	198,183,157.33
Total district-wide	\$ 175,769,676.00	\$ 164,476,662.39	\$ 164,729,884.20	\$ 150,771,329.53	\$ 120,591,423.00	\$ 142,805,987.38	\$ 144,751,376.46	\$ 138,161,666.85	\$ 178,836,756.83	\$ 198,183,157.33
Changes in Net Assets	\$ 23,742,308.24	\$ 5,874,136.54	\$ 16,458,882.00	\$ 16,414,958.33	\$ (13,388,379.29)	\$ 9,940,384.36	\$ 11,285,773.44	\$ 2,050,167.58	\$ 40,868,975.94	\$ 50,787,790.27
Business-type activities	120,211.49	(378,848.77)	(49,740.96)	356,213.99	258,540.31	371,932.09	371,932.09	319,511.56	809,236.26	14,448.45
Total district	\$ 23,862,519.73	\$ 5,495,287.77	\$ 16,409,141.04	\$ 16,771,172.32	\$ (13,130,838.98)	\$ 9,712,316.45	\$ 11,657,705.53	\$ 2,369,679.14	\$ 41,678,212.20	\$ 50,802,178.72

Source: ACFR Schedule A-2



CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 Fund Balances, Governmental Funds,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 24,116,470.30	\$ 20,139,347.63	\$ 7,188,801.54	\$ 7,202,888.02	\$ 23,192,841.36	\$ 33,533,176.40	\$ 33,074,772.17	\$ 53,901,978.84	\$ 94,973,652.33	\$ 143,055,517.49
Committed	9,914,364.00	8,393,127.92	835,703.54	281,384.38	341,068.05	1,355,192.07	1,181,443.06	3,320,965.44	4,650,768.74	2,850,137.37
Assigned	2,937,211.00	3,369,047.16	7,459,958.46	5,575,809.00	2,201,159.98	5,417,166.66	6,638,831.94	-	-	3,148,795.00
Unassigned	2,250,368.00	1,816,073.29	844,178.50	1,363,530.73	2,106,804.00	964,863.28	589,265.06	(533,042.21)	5,541,649.99	(5,283,866.02)
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total general fund	\$ 39,218,413.30	\$ 33,717,596.00	\$ 16,328,642.04	\$ 14,423,612.13	\$ 27,841,863.39	\$ 41,270,398.41	\$ 41,484,312.23	\$ 56,889,902.07	\$ 105,166,071.06	\$ 143,770,583.84
All Other Governmental Funds										
Restricted	\$ 3,540,756.00	\$ 2,231,151.41	\$ 2,168,395.32	\$ 2,155,471.58	\$ 2,007,735.08	\$ 2,005,985.08	\$ 2,678,763.16	\$ 4,134,057.50	\$ 748,329.88	\$ 5,644,823.53
Committed	-	152,118.52	-	-	-	-	-	-	-	-
Assigned	-	906,649.00	12,609,857.00	-	-	-	-	-	-	-
Total all other governmental funds	\$ 3,540,756.00	\$ 3,289,918.93	\$ 14,778,252.32	\$ 2,155,471.58	\$ 2,007,735.08	\$ 2,005,985.08	\$ 2,678,763.16	\$ 4,134,057.50	\$ 748,329.88	\$ 5,644,823.53

Source: ACFR Schedule B-1

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>	\$ 134,452,430.00	\$ 133,515,744.00	\$ 131,956,921.00	\$ 81,886,890.00	\$ 90,077,234.00	\$ 44,277,180.00	\$ 43,014,887.00	\$ 87,786,131.00	\$ 41,135,407.00	\$ 37,033,588.00
Tax Levy	-	-	-	11,182,844.50	9,647,224.54	7,203,478.97	6,207,326.82	5,784,232.06	6,180,801.79	5,693,189.45
Casino Pilot	12,684,076.00	11,453,256.70	11,392,183.40	464,988.96	703,872.97	1,065,935.46	1,080,644.69	690,037.95	2,215,067.43	1,647,487.47
Tuition charges	2,617,871.00	695,190.29	394,668.93	58,521,462.06	74,624,747.18	79,670,797.85	74,090,240.71	90,658,755.44	132,960,443.78	154,928,718.44
Miscellaneous	32,373,786.00	35,135,462.06	36,104,251.47	9,352,984.23	10,067,799.04	10,798,141.85	11,820,376.76	7,417,918.26	15,321,003.54	22,867,419.92
State sources	6,245,237.00	6,404,696.57	6,869,315.34	161,411,307.82	185,120,877.73	186,510,920.13	180,984,071.98	192,337,074.71	242,650,790.54	267,170,403.28
Federal sources	188,373,400.00	187,204,349.62	186,717,340.14	35,915,819.90	38,373,081.00	39,182,207.18	39,051,614.05	37,469,952.89	45,083,915.22	45,003,578.63
Total Revenue	188,373,400.00	187,204,349.62	186,717,340.14	161,411,307.82	185,120,877.73	186,510,920.13	180,984,071.98	192,337,074.71	242,650,790.54	267,170,403.28
<b>Expenditures</b>	36,814,162.00	39,524,062.20	39,177,724.87	19,959,808.81	19,700,381.58	20,150,827.56	21,558,723.48	19,627,357.30	24,242,734.43	30,728,820.68
Instruction:	15,803,565.00	17,239,535.84	18,831,970.76	8,366,531.31	7,445,385.02	8,133,058.64	8,361,999.98	7,950,369.90	8,259,859.14	8,780,475.59
Regular instruction	13,701,060.00	14,187,751.87	13,620,528.41	12,674,162.07	13,208,303.77	15,780,498.66	15,029,126.62	16,540,705.75	16,654,651.10	18,266,923.53
Special education instruction	2,028,162.00	2,432,719.84	17,906,001.70	14,326,109.27	13,723,921.50	15,230,800.90	15,285,652.83	15,975,442.09	19,692,459.80	21,499,762.82
Other special education instruction	4,690,436.00	4,906,531.64	1,954,234.70	1,706,552.19	2,260,416.05	2,400,785.68	2,633,755.27	2,443,930.92	2,930,415.53	3,245,479.24
Support Services:	1,695,292.00	1,901,325.34	2,046,361.85	4,827,005.50	4,689,151.18	5,333,733.10	5,116,369.04	5,080,707.80	5,365,306.04	5,813,321.28
Tuition	15,308,118.00	16,521,425.10	16,156,960.58	2,316,201.38	2,167,155.08	13,340,007.20	14,774,955.67	13,032,689.25	15,524,375.16	16,565,133.87
Student & instruction related services	5,025,046.00	5,057,051.44	5,263,917.57	12,518,745.29	13,705,594.14	4,684,905.07	5,178,798.92	4,943,482.14	6,709,161.89	7,250,716.76
General administrative services	39,969,312.00	41,630,913.01	43,977,096.34	43,779,391.17	42,408,208.93	39,143,375.39	41,172,627.89	43,027,721.76	54,331,719.20	55,441,129.82
School administrative services	6,676,059.00	2,612,501.93	992,378.33	488,482.10	689,560.50	871,673.24	3,186,359.71	1,464,162.90	6,928,346.64	3,814,453.60
Central Services	12,155,000.00	12,290,000.00	10,985,000.00	9,680,000.00	5,560,000.00	3,185,000.00	3,325,000.00	4,031,000.00	3,052,000.00	3,122,000.00
Plant operations and maintenance	5,325,556.00	4,798,419.44	4,329,059.10	3,796,958.00	3,264,163.10	3,264,163.10	3,132,114.72	2,068,678.59	2,020,530.50	1,909,477.50
Pupil transportation	189,002,601.00	192,159,003.81	192,617,960.71	174,939,118.47	171,850,362.97	173,084,135.11	180,097,380.08	175,891,345.46	213,047,841.05	223,689,366.85
Unallocated employee benefits	(629,201.00)	(4,951,654.19)	(5,900,620.57)	(13,527,810.65)	13,270,514.76	13,426,785.02	886,691.90	16,445,729.25	29,602,949.49	43,501,006.43
Special Schools	6,676,059.00	2,612,501.93	992,378.33	488,482.10	689,560.50	871,673.24	3,186,359.71	1,464,162.90	6,928,346.64	3,814,453.60
Capital outlay	12,155,000.00	12,290,000.00	10,985,000.00	9,680,000.00	5,560,000.00	3,185,000.00	3,325,000.00	4,031,000.00	3,052,000.00	3,122,000.00
Debt service:	5,325,556.00	4,798,419.44	4,329,059.10	3,796,958.00	3,264,163.10	3,264,163.10	3,132,114.72	2,068,678.59	2,020,530.50	1,909,477.50
Principal	189,002,601.00	192,159,003.81	192,617,960.71	174,939,118.47	171,850,362.97	173,084,135.11	180,097,380.08	175,891,345.46	213,047,841.05	223,689,366.85
Interest and other charges	(629,201.00)	(4,951,654.19)	(5,900,620.57)	(13,527,810.65)	13,270,514.76	13,426,785.02	886,691.90	16,445,729.25	29,602,949.49	43,501,006.43
Total Expenditures	189,002,601.00	192,159,003.81	192,617,960.71	174,939,118.47	171,850,362.97	173,084,135.11	180,097,380.08	175,891,345.46	213,047,841.05	223,689,366.85
Excess (Deficiency) of Revenues over Expenditures	(629,201.00)	(4,951,654.19)	(5,900,620.57)	(13,527,810.65)	13,270,514.76	13,426,785.02	886,691.90	16,445,729.25	29,602,949.49	43,501,006.43
<b>Other Financing Sources (Uses)</b>	-	(800,000.00)	-	(1,000,000.00)	-	-	-	-	-	-
Bond & Lease Proceeds	-	-	-	-	-	-	-	215,154.93	-	-
Transfers	-	(800,000.00)	-	-	-	-	-	-	-	-
Workers Compensation Fund	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(800,000.00)	-	(1,000,000.00)	-	-	-	215,154.93	-	-
Net change in fund balances	\$ (629,201.00)	\$ (5,751,654.19)	\$ (5,900,620.57)	\$ (14,527,810.65)	\$ 13,270,514.76	\$ 13,426,785.02	\$ 886,691.90	\$ 16,660,884.18	\$ 29,602,949.49	\$ 43,501,006.43
Debt service as a percentage of noncapital expenditures	10%	9%	8%	8%	5%	4%	4%	3%	2%	2%

Source: ACFR Schedule B-2

Exhibit J-5

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 General Fund Other Local Revenue by Source,  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Miscellaneous	Prior Year Refunds	Cancelled Payables	Current Year Refunds	Totals
2014	\$ 34,228.87	\$ 11,453,256.70	\$ 656,981.26	\$	\$	\$	\$ 12,144,466.83
2015	55,000.00	11,392,183.40	332,320.49				11,779,503.89
2016	0.26	11,182,844.50	451,715.60				11,634,560.36
2017	-	9,647,224.54	676,754.19				10,323,978.73
2018	10,760.02	7,203,478.97	1,019,526.62				8,233,766.61
2019	192,514.65	6,207,326.82	822,428.53				7,222,270.00
2020	198,495.34	5,784,232.06	452,029.58				6,434,756.98
2021	183,931.89	7,340,182.71	264,930.19	239,653.53	1,082,501.57	121,107.75	9,232,307.64
2022	83,419.60	6,180,801.79	1,624,200.95	273,444.39			8,161,866.73
2023	493,429.37	5,693,189.45	558,634.48	273,444.39			7,018,697.69

Source: District Records

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

**Exhibit J-6**

**City of Atlantic City**

Year Ended Dec. 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2014	768,923,100	2,100,464,715	8,207,089,300	4,069,800	185,632,200	11,266,179,115	6,538,788	11,272,717,903	1.197	11,867,756,704
2015	462,757,500	1,910,222,855	4,792,899,500	4,069,800	172,916,700	7,342,866,355	7,027,851	7,349,894,206	1.239	7,349,894,206
2016	415,929,500	1,685,997,740	4,251,201,600	4,972,800	151,651,000	6,509,752,640	6,128,664	6,515,881,304	1.536	7,498,023,144
2017	366,992,996	1,539,063,900	1,050,265,704	3,672,800	146,635,300	3,106,630,700	100	3,106,630,800	1.349	3,118,902,176
2018	352,267,340	1,391,844,300	981,161,500	13,149,800	144,569,300	2,882,992,240	-	2,882,992,240	1.493	2,646,814,938
2019	331,347,290	1,311,303,900	735,758,000	13,149,800	133,362,700	2,524,921,690	-	2,524,921,690	1.691	2,458,601,026
2020	290,142,296	1,336,715,427	745,764,400	12,229,300	124,971,600	2,509,823,023	-	2,509,823,023	1.699	2,735,183,043
2021	256,932,700	1,319,770,233	725,429,650	12,229,300	115,171,600	2,429,533,483	-	2,429,533,483	1.694	2,717,355,530
2022	not available	not available	not available	not available	not available	2,406,379,413	-	2,406,379,413	1.612	2,807,221,331
2023	not available	not available	not available	not available	not available	2,398,818,833	-	2,398,818,833	1.458	3,227,784,222

Source: County Abstract of Ratables & Municipal Tax Assessor

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

Year Ended Dec. 31,	CITY OF ATLANTIC CITY SCHOOL DISTRICT			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	Municipal Local Purpose	
2014	0.986	0.211	1.197	0.354	0.003	1.794	3.348
2015	1.210	0.029	1.239	0.384	0.001	1.798	3.422
2016	1.272	0.264	1.536	0.383	-	1.941	3.860
2017	1.228	0.121	1.349	0.241	-	1.831	3.421
2018	1.259	0.234	1.493	0.209	-	1.831	3.533
2019	1.456	0.235	1.691	0.456	0.002	1.835	3.984
2020	1.459	0.240	1.699	0.493	0.002	1.740	3.934
2021	1.454	0.240	1.694	0.516	0.006	1.685	3.901
2022	1.440	0.172	1.612	0.519	0.006	1.640	3.777
2023	1.442	0.016	1.458	0.507	0.006	1.594	3.565

Source: District Records and Municipal Tax Collector

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Principal Property Tax Payers,**  
**Current Year and Ten Years Ago**

Exhibit J-8

Taxpayer	2023				2014			
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		Taxable Assessed Value	Rank	% of Total District Net Assessed Value	
Mirage A C Corp (MAC)	120,509,000.00	1	5.02%		602,545,400	8	5.35%	
AC Holding Corp	20,501,800.00	2	0.85%					
Colosseo Atlantic City Inc.	19,225,100.00	3	0.80%					
TJM Atlantic City LLC	18,115,100.00	4	0.76%					
CRDA/Headquarters Hotel	18,000,000.00	5	0.75%					
Grand Prix Atlantic	13,700,000.00	6	0.57%					
CRDA/Renaissance	12,200,000.00	7	0.51%					
Thermal Energy Limited Partnership	9,477,000.00	8	0.40%		413,502,200.00	10	3.67%	
Showboat Renaissance LLC	8,660,500.00	9	0.36%					
Boardwalk Investment	8,650,000.00	10	0.36%					
Marina District Development					1,540,895,500	1	13.67%	
Harrah's Atlantic City					1,451,707,500	2	12.88%	
Trump Taj Mahal Assoc.					1,376,141,000	3	12.21%	
Revel Atlantic City LLC					1,337,045,700	4	11.86%	
Tropicana Atlantic City					1,257,308,200	5	11.15%	
Bally Park Place of NJ					1,208,906,900	6	10.72%	
Golden Nugget					644,748,200	7	5.72%	
Boardwalk Regency					522,689,600	9	4.64%	
Totals	<u>\$ 249,038,500.00</u>		<u>10.38%</u>		<u>\$ 10,355,490,200.00</u>		<u>91.86%</u>	
	District Assessed Value		\$ 2,398,818,833.00				\$ 11,272,717,903.00	

Source: District ACFR & Municipal Tax Assessor

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	133,515,744.00	133,515,744.00	100%	-
2015	131,956,921.00	131,956,921.00	100%	-
2016	81,888,890.00	81,888,890.00	100%	-
2017	90,077,234.00	90,077,234.00	100%	-
2018	87,772,566.00	87,772,566.00	100%	-
2019	87,785,483.00	87,785,483.00	100%	-
2020	87,786,131.00	87,786,131.00	100%	-
2021	87,715,859.00	87,715,859.30	100%	-
2022	85,973,474.00	85,973,474.00	100%	-
2023	82,033,588.00	82,033,588.00	100%	-

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Ratios of Outstanding Debt by Type,**  
**Last Ten Fiscal Years**

**Exhibit J-10**

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	* Percentage of Personal Income	* Per Capita Personal Income
	General Obligation Bonds	Certificates of Participation	Bond Anticipation Notes (BANs)	Capital Leases	Capital Leases			
2014	95,921,000.00	-	-	-	-	95,921,000.00	0.04%	42,099.00
2015	84,936,000.00	-	-	-	-	84,936,000.00	0.04%	35,165.00
2016	75,256,000.00	-	-	-	-	75,256,000.00	0.05%	37,198.00
2017	69,696,000.00	-	-	-	-	69,696,000.00	0.06%	44,254.00
2018	63,161,000.00	-	-	-	-	63,161,000.00	0.00%	44,254.00
2019	64,444,000.00	-	-	-	-	64,444,000.00	0.07%	46,557.00
2020	60,413,000.00	-	-	-	-	60,413,000.00	0.08%	48,668.00
2021	52,973,000.00	-	-	-	-	52,973,000.00	0.10%	50,631.00
2022	49,921,000.00	-	-	-	-	49,921,000.00	0.11%	55,802.00
2023	46,799,000.00	-	-	-	-	46,799,000.00	0.12%	58,310.00

\* Information presented for Atlantic County, not just the City of Atlantic City.

Source: District ACFR Schedules I-1, I-2



**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Ratios of Net General Bonded Debt Outstanding,**  
**Last Ten Fiscal Years**

**Exhibit J-11**

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	* Per Capita Personal Income
	General Obligation Bonds	Deductions			
2014	95,921,000.00	-	95,921,000.00	0.85%	42,099
2015	84,936,000.00	-	84,936,000.00	1.16%	35,165
2016	75,256,000.00	-	75,256,000.00	1.15%	43,336
2017	69,696,000.00	-	69,696,000.00	2.24%	37,198
2018	63,161,000.00	-	63,161,000.00	2.19%	44,254
2019	64,444,000.00	-	64,444,000.00	2.55%	46,557
2020	60,413,000.00	-	60,413,000.00	2.41%	48,668
2021	52,973,000.00	-	52,973,000.00	2.18%	50,631
2022	49,921,000.00	-	49,921,000.00	2.07%	55,802
2023	46,799,000.00	-	46,799,000.00	1.95%	58,310

\* Information presented for Atlantic County, not just the City of Atlantic City.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Direct and Overlapping Governmental Activities Debt**  
**For the Year Ended December 31, 2022**

**Exhibit J-12**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
City of Atlantic City	\$ 236,980,000.00	100.00%	\$ 236,980,000.00
<b>Other Debt</b>			
County of Atlantic	203,998,316.30	8.32%	16,967,467.95
Subtotal, Overlapping Debt			253,947,467.95
<b>City of Atlantic City School District Debt</b>			46,799,000.00
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 300,746,467.95</u></u>

Sources: City of Atlantic City and Atlantic County Finance Office

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 Legal Debt Margin Information,  
 Last Ten Years

Exhibit J-13

Equalized valuation basis	
2022	\$ 3,186,835,403.00
2021	2,752,386,675.00
2020	2,922,817,076.00
	<u>\$ 8,862,041,154.00</u>
Average equalized value of taxable property \$ 2,954,013,718.00	
Debt limit (3% of average) 118,160,548.72	
Net bonded school debt 46,799,000.00	
Legal debt margin <u>\$ 71,361,548.72</u>	

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 638,092,277.00	\$ 551,482,382.00	\$ 463,193,332.29	\$ 347,803,929.09	\$ 234,886,888.15	\$ 159,827,730.57	\$ 112,337,477.15	\$ 113,984,761.23	\$ 113,912,761.75	\$ 118,160,548.72
Total net debt applicable to limit	<u>95,921,000.00</u>	<u>84,936,000.00</u>	<u>75,256,000.00</u>	<u>69,696,000.00</u>	<u>63,161,000.00</u>	<u>64,444,000.00</u>	<u>60,413,000.00</u>	<u>52,973,000.00</u>	<u>49,921,000.00</u>	<u>46,799,000.00</u>
Legal debt margin	\$ 542,171,277.00	\$ 542,171,277.00	\$ 466,546,382.00	\$ 387,937,332.29	\$ 278,107,929.09	\$ 165,290,888.15	\$ 51,924,477.15	\$ 61,011,761.23	\$ 63,991,761.75	\$ 71,361,548.72
Total net debt applicable to the limit as a percentage of debt limit	15.03%	15.40%	16.25%	20.04%	29.66%	39.52%	53.78%	46.47%	43.82%	39.61%

Source: District Records ACFR

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Demographic and Economic Statistics,**  
**Last Ten Fiscal Years**

**Exhibit J-14**

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	* Per Capita Personal Income	Unemployment Rate
2014	39,551 \$	1,665,057.55	42,099	16.5%
2015	39,415	1,386,028.48	35,165	14.8%
2016	39,260	1,701,371.36	43,336	13.2%
2017	38,735	1,440,864.53	37,198	10.1%
2018	38,429	1,700,636.97	44,254	10.1%
2019	37,804	1,760,040.83	46,557	7.7%
2020	37,743	1,836,876.32	48,668	7.1%
2021	37,569	1,902,156.04	50,631	25.7%
2022	38,466	2,146,479.73	55,802	13.1%
2023	38,561	2,248,491.91	58,310	6.4%

\* Information presented for Atlantic County, not just the City of Atlantic City.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
Principal Employers,  
Current Year and Ten Years Ago**

**Exhibit J-15**

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

This information is not available.

Source: N/A

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 Full-time Equivalent District Employees by Function/Program.  
 Last Ten Fiscal Years

Exhibit J-16

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction:										
Regular instruction	643	609	520	520	484	546	547	518	559	559
Special education instruction	135	198	201	203	220	139	158	162	165	167
Other Instruction	45	30	31	31	44	59	41	30	30	32
Support Services:										
Student & instruction related services	106	143	94	94	107	103	108	112	118	140
General administrative services	10	10	4	11	11	11	15	4	4	5
School administrative services	76	59	53	48	48	48	54	49	49	60
Central Services	36	25	26	16	19	20	19	29	20	22
Plant operations and maintenance	145	157	142	145	145	145	137	137	129	150
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Food Service	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>1,199</b>	<b>1,234</b>	<b>1,074</b>	<b>1,071</b>	<b>1,081</b>	<b>1,074</b>	<b>1,082</b>	<b>1,044</b>	<b>1,076</b>	<b>1,138</b>

Source: District Personnel Records

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 Operating Statistics,  
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2014	7,221	172,455,082.44	23,882	5.62%	823	9:1	n/a	11:1	7,164	6,548	3.61%	91.40%
2015	7,188	176,311,523.28	24,529	2.71%	837	15:1	n/a	11:1	7,106	6,658	-0.81%	93.70%
2016	7,155	161,033,678.37	22,506	-8.24%	721	9:1	n/a	13:1	7,118	6,642	0.17%	93.31%
2017	7,054	162,180,015.56	22,991	2.15%	723	9:1	n/a	13:1	6,969	6,448	-2.09%	92.52%
2018	6,982	165,763,298.77	23,742	3.26%	718	11:1	n/a	12:1	6,952	6,404	-0.24%	92.12%
2019	6,789	170,453,905.65	25,107	5.75%	711	10:1	n/a	12:1	6,550	6,042	-5.78%	92.24%
2020	6,771	168,327,503.97	24,860	-0.98%	714	11:1	n/a	10:1	6,740	6,298	2.90%	93.44%
2021	6,441	186,395,639.95	28,939	16.41%	710	11:1	n/a	10:1	6,399	5,713	-5.06%	89.28%
2022	6,350	201,046,963.91	31,661	9.41%	754	10:1	n/a	10:1	6,291	5,486	-1.69%	87.20%
2023	6,345	214,823,465.75	33,857	6.94%	758	10:1	n/a	10:1	6,304	5,572	0.21%	88.39%

Source: District records, ASSA and Schedules J-12, J-14

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**School Building Information,**  
**Last Ten Fiscal Years**

**Exhibit J-18**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b><u>District Buildings</u></b>										
<b><u>Elementary</u></b>										
Brighton Avenue (1905 & 1916)										
Square Feet	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100
Capacity (students)	315	315	315	315	315	315	315	315	315	315
Enrollment	339	340	385	368	346	347	351	312	299	290
Chelsea Heights (1950, 1976 & 2001)										
Square Feet	32,100	32,100	32,100	32,100	32,100	32,100	32,100	32,100	32,100	32,100
Capacity (students)	388	388	388	388	388	388	388	388	388	388
Enrollment	284	345	372	373	367	371	383	332	303	272
Dr. Martin Luther King School (1976 & 2001)										
Square Feet	91,200	91,200	91,200	91,200	91,200	91,200	91,200	91,200	91,200	91,200
Capacity (students)	811	811	811	811	811	811	811	811	811	811
Enrollment	692	680	625	636	599	629	597	542	536	519
Indiana Avenue (1906 & 1922) East Campus										
Square Feet	76,640	76,640	76,640	76,640	76,640	76,640	76,640	76,640	76,640	76,640
Capacity (students)	549	549	549	549	549	549	549	549	549	549
Enrollment (closed)	73	42	-	-	-	-	-	-	-	-
New Jersey Avenue (1925)										
Square Feet	78,880	78,880	78,880	78,880	78,880	78,880	78,880	78,880	78,880	78,880
Capacity (students)	781	781	781	781	781	781	781	781	781	781
Enrollment (closed)	-	-	-	-	-	-	-	-	-	-
New York (2004)										
Square Feet	96,619	96,619	96,619	96,619	96,619	96,619	96,619	96,619	96,619	96,619
Capacity (students)	720	720	720	720	720	720	720	720	720	720
Enrollment	672	604	610	569	605	571	566	557	577	572
Pennsylvania Avenue (2012)										
Square Feet	103,000	103,000	103,000	103,000	103,000	103,000	103,000	103,000	103,000	103,000
Capacity (students)	733	733	733	733	733	733	733	733	733	733
Enrollment	640	551	562	555	559	553	573	549	571	527
Richmond Avenue (2012)										
Square Feet	119,140	119,140	119,140	119,140	119,140	119,140	119,140	119,140	119,140	119,140
Capacity (students)	623	623	623	623	623	623	623	623	623	623
Enrollment	611	631	640	665	715	669	679	615	586	586



**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**School Building Information,**  
**Last Ten Fiscal Years**

**Exhibit J-18**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b><u>District Buildings</u></b>										
Sovereign Avenue (2004)										
Square Feet	105,350	105,350	105,350	105,350	105,350	105,350	105,350	105,350	105,350	105,350
Capacity (students)	719	719	719	719	719	719	719	719	719	719
Enrollment	737	744	772	743	736	730	740	695	698	699
Texas Avenue (1928 & 1956)										
Square Feet	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000
Capacity (students)	405	405	405	405	405	405	405	405	405	405
Enrollment	582	549	531	551	560	534	533	500	470	502
Uptown School Complex (1977, 1988 & 2001)										
Square Feet	111,385	111,385	111,385	111,385	111,385	111,385	111,385	111,385	111,385	111,385
Capacity (students)	654	654	654	654	654	654	654	654	654	654
Enrollment	617	593	598	601	571	540	575	536	514	553
Venice Park (1950) (Preschool)										
Square Feet	7,171	7,171	7,171	7,171	7,171	7,171	7,171	7,171	7,171	7,171
Capacity (students)	180	180	180	180	180	180	180	180	180	180
Enrollment	93	104	93	97	75	67	58	36	47	61
<b><u>High School</u></b>										
Atlantic City High School (1994)										
Square Feet	460,000	460,000	460,000	460,000	460,000	460,000	460,000	460,000	460,000	460,000
Capacity (students)	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703
Enrollment	1,881	1,906	1,967	1,843	1,849	1,778	1,716	1,767	1,749	1,764
<b><u>Other</u></b>										
Boathouse (1994)										
Square Feet	12,039	12,039	12,039	12,039	12,039	12,039	12,039	12,039	12,039	12,039
Total Enrollment	7,221	7,089	7,155	7,001	6,982	6,789	6,771	6,441	6,350	6,345

Number of Schools at June 30, 2023  
 Pre-school - 1.  
 Elementary - 9  
 High School - 1  
 Alternative High School - closed

Source: District Records, ASSA

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
 General Fund  
 Schedule of Required Maintenance for School Facilities,  
 Last Ten Fiscal Years  
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Atlantic City High School	N/A	\$ 1,679,476.90	\$ 1,346,828.00	\$ 653,337.63	\$ 765,824.25	\$ 848,151.83	\$ 992,366.59	\$ 810,137.12	\$ 769,658.92	\$ 1,073,828.16	\$ 1,427,672.03
Texas Avenue	N/A	280,233.87	153,923.00	74,667.06	106,619.00	102,902.56	138,068.40	112,714.73	107,082.98	212,707.24	198,632.63
Uptown School Complex	N/A	504,892.32	307,846.00	149,334.12	185,526.00	179,056.12	240,292.94	196,167.66	186,366.21	441,853.17	345,698.37
Dr. Martin Luther King School	N/A	497,383.61	230,885.00	112,000.83	151,944.00	210,233.18	196,747.46	160,618.49	152,593.25	245,885.79	283,051.50
Brighton Avenue	N/A	232,167.16	153,923.00	74,667.06	88,301.00	85,206.54	114,553.62	93,518.00	88,845.41	129,305.56	164,803.01
Richmond Avenue	N/A	79,871.54	307,846.00	149,334.12	198,443.00	191,522.01	257,022.95	209,825.51	199,341.66	250,389.77	369,767.06
Chelsea Heights	N/A	187,335.74	76,962.00	37,333.77	53,544.00	51,685.10	69,249.83	56,533.48	53,708.81	137,566.90	99,626.68
Pennsylvania Avenue	N/A	90,752.56	269,365.00	130,667.24	171,436.00	165,443.87	222,203.82	181,400.27	172,336.67	192,362.44	319,674.39
New York	N/A	362,997.35	269,365.00	130,667.24	160,868.00	155,250.82	208,437.97	170,162.26	161,660.16	158,128.17	299,870.10
Sovereign Avenue	N/A	155,245.59	269,365.00	130,667.24	175,428.00	169,305.19	227,273.52	185,539.01	176,268.62	212,995.15	326,967.93
Venice Park	N/A	29,818.84	38,481.00	18,666.89	11,742.00	11,311.44	15,470.24	12,629.33	11,998.31	120,781.95	22,256.17
Total School Facilities	N/A	4,226,853.15	3,848,078.00	1,866,677.98	2,348,435.25	2,282,178.60	2,848,773.83	2,325,650.05	2,209,449.81	3,175,804.30	3,858,019.86
Other Facilities	N/A	242,186.00	-	-	-	-	-	-	-	-	-
Grand Total	N/A	\$ 4,469,039.15	\$ 3,848,078.00	\$ 1,866,677.98	\$ 2,348,435.25	\$ 2,282,178.60	\$ 2,848,773.83	\$ 2,325,650.05	\$ 2,209,449.81	\$ 3,175,804.30	\$ 3,858,019.86

Source: District Records

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Insurance Schedule**  
**For the Fiscal Year Ended June 30, 2023**  
*(Unaudited)*

**Exhibit J-20**

Company	Type of Coverage	Amount of Coverage	Deductible
Multi - peril policy expiring with the New Jersey School Boards Association Insurance Group providing the following coverage:			
	Property		
	Real and Personal Property	500,000,000	5,000
	Valuable Papers	10,000,000	5,000
	Extra Expenses - Blanket	50,000,000	5,000
	Earthquake	50,000,000	-
	Demolition & Increased Cost of Construction	25,000,000	-
	Loss of Business Income / Tuition	2,100,000	-
	Flood - Zone A & V	75,000,000	500,000
	All other Zones	-	10,000
	Special Flood Hazard Area	25,000,000	500,000
	Fire Department Service Charge	10,000	
	Arson Reward	10,000	
	Pollutant Cleanup & Removal	250,000	
	Terrorism - each Occurrence	1,000,000	
	Accounts Receivable	250,000	per occurrence
	Liability		
	Comprehensive Coverage	16,000,000	1,000
	Boiler & Machinery		
	Property Damage	100,000,000	5,000
	Sub limits		
	Off Premises Property Damage	1,000,000	5,000
	Business Income	Included	
	Extra Expense	10,000,000.00	5,000.00
	Service Interruption	10,000,000.00	5,000.00
	Contingent Business Income	1,000,000.00	5,000.00
	Perishable Goods	1,000,000.00	5,000.00
	Data Restoration	1,000,000.00	5,000.00
	Demolition	1,000,000.00	5,000.00
	Ordinance or Law	1,000,000.00	5,000.00
	Newly Acquired Locations	1,000,000.00	5,000.00
	Expediting Expenses	1,000,000.00	5,000.00
	Hazardous Substances	1,000,000.00	5,000.00
	Electronic Data Processing		
	Data Processing Equipment	5,000,000.00	1,000.00
	Computer Virus	250,000.00	1,000.00
	Crime		
	Public Employees Dishonesty with Faithful Performance	250,000.00	1,000.00
	Theft Disappearance and Destruction - Loss of Money & Securities On or Off Premises	10,000.00	500.00
	Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency	10,000.00	500.00
	Forgery or Alteration	250,000.00	1,000.00
	Computer Fraud	250,000.00	1,000.00
	Board Secretary	75,000.00	1,000.00
	Treasurer	600,000.00	1,000.00
	Business Administrator	225,000.00	1,000.00

Source: District Records



# **Single Audit Section**





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K-1

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable President and  
Members of the Board of Education  
City of Atlantic City School District  
County of Atlantic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atlantic City School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Atlantic City School District's basic financial statements, and have issued our report thereon dated February 5, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Atlantic City School District's control over financial reporting (internal control) to determine the 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 City of Atlantic City School 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

February 5, 2024





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K-2

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND NEW JERSEY OMB'S CIRCULAR 15-08**

Honorable President and  
Members of the Board of Education  
City of Atlantic City School District  
County of Atlantic, New Jersey

## **Report on Compliance for Each Major Federal & State Program**

### **Opinion on Each Major Federal & State Program**

We have audited the City of Atlantic City School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the City of Atlantic City School District's major federal and state programs for the year ended June 30, 2023. The City of Atlantic City School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Atlantic City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

### **Basis for Opinion on Each Major Federal & State Program**

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

We are required to be independent of the City of Atlantic City School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Atlantic City School District's compliance with the 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 its 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 City of Atlantic City School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Atlantic City School 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*, and the Uniform Guidance, 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 City of Atlantic City School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Atlantic City School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of City of Atlantic City School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

## Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

## 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 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 paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been 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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

February 5, 2024

CITY OF ATLANTIC CITY SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	Federal FAIN Number	Program or Award Amount	From	To	Grant Period From	To	Accounts Receivable	Balance at June 30, 2022	Deferred Revenue	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures		Repayment of Prior Years' Balances	Adjustments	(Accounts Receivable) at June 30, 2023	Deferred Revenue	Due to Grantor at June 30, 2023	
														Source Pass Through	Total						
<b>U.S. Department of Education</b>																					
Child Impact Aid	84.041	S041B163033	\$ 57,540.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023		\$ -	\$ -	\$ -	\$ -	\$ 57,540.00	\$ (57,540.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>U.S. Department of Health and Human Services</b>																					
Passed-Through State Department of Health and Human Services	63.778	2105N15MAP	303,193.09	9/1/2021	8/30/2022	9/1/2021	8/30/2022						303,193.09	(303,193.09)							
Medical Assistance Program (SEM)													360,733.05	(360,733.05)							
Total General Revenue Fund																					
<b>U.S. Department of Education</b>																					
Passed-Through State Department of Education:																					
Special Revenue Fund:																					
Title I	84.010	S010A220030	5,245,725.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023					3,910,445.30	2,569,368.89	(9,254,396.30)				(2,783,862.11)			
Title I, Reallocated	84.010	S010A210030	4,721,134.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(594,759.59)				(3,910,445.30)	4,475,204.89								
Title I, SIA	84.010	S010A200030	910,500.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	(0.09)				332,883.81		(901,605.77)				(0.09)			
ID.E.A. Part B, Basic Regular	84.027	H027A220100	1,060,200.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(539,335.19)				872,219.00						(588,721.96)			
ARP - LD.E.A. Part B, Basic Regular	84.027X	H027A220100	1,810,784.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	35,925.99				1,367,343.62		(1,766,863.26)				(383,593.65)			
ARP - LD.E.A. Part B, Basic Regular	84.027X	H027A210100	1,782,979.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(92,893.39)				128,619.38									
ARP - LD.E.A. Part B, Basic Regular	84.027X	H027A210100	397,241.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	0.39				168,778.00		(227,059.39)				(58,281.00)			
ID.E.A. Part B, Preschool	84.173	H173A220114	49,755.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	(2,343.51)				6,238.49		(33,789.21)				(27,550.72)			
ARRA Race To The Top Preschool	84.173A	H173A210114	41,822.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(0.20)				27,582.00		(3,294.98)				(3,294.98)			
ARRA Race To The Top Preschool	84.173A	H173A210114	35,064.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022														
Perkins	84.048	V048A200030	76,795.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	2,147.20				34,589.00		(57,187.46)				(65,040.26)			
Perkins	84.048	V048A210030	59,607.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(32,441.80)				189,659.84						(164,373.43)			
Title IA	84.367A	S367A20029	471,722.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	(86,429.16)				3,507.00		(357,531.27)				(69,100.88)			
Title IA	84.367A	S367A210029	345,350.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022					296,080.00									
Title III	84.365	S365A220030	225,135.00	7/1/2022	6/30/2023	7/1/2022	6/30/2023	174,985.49				13,854.00		(257,940.37)							
Title III	84.365	S365A210030	253,862.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(65,213.51)				240,159.00									
Title IV	84.424	S424A220031	371,152.00	7/1/2020	6/30/2021	7/1/2020	6/30/2021	171,299.28				381,209.42		(475,195.08)				77,313.62			
Title IV	84.424	S424A210031	341,069.00	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(171,299.28)				71,006.58									
CARES Emergency Relief Grant	84.425D	S425D210027	3,731,951.00	3/13/2020	9/30/2023	3/13/2020	9/30/2023					10,538.00		(14,344.11)				69,936.97			
CARRA - ESSER II	84.425D	S425D220027	15,315,588.00	9/30/2020	9/30/2023	9/30/2020	9/30/2023	(247,451.59)				4,207,729.00		(11,603,766.14)				(7,643,488.73)			
CARRA - Mental Health	84.425D	S425D220027	45,000.00	3/13/2020	9/30/2023	3/13/2020	9/30/2023					38,987.00		(45,000.00)				(45,000.00)			
CARRA - Learning Acceleration	84.425D	S425D220027	982,876.00	3/13/2020	9/30/2023	3/13/2020	9/30/2023					4,895,587.00		(105,853.54)				(86,856.54)			
ARR - ESSER	84.425U	S425U210027	34,420,786.00	3/13/2020	9/30/2024	3/13/2020	9/30/2024	(4,189,965.15)				4,895,587.00		(3,910,708.63)				(3,205,165.78)			
ARR - HCY	84.425U	S425U210027	34,420,786.00	3/13/2020	9/30/2024	3/13/2020	9/30/2024							(70,910.00)				(70,910.00)			
ARRA Race To The Top Preschool Development Grant-Expansion	84.418B	S418B190020	3,327,995.00	7/1/2019	6/30/2020	7/1/2019	6/30/2020					100,292.70									
Total U.S. Department of Education													19,753,391.78	(29,085,345.51)				(15,124,801.41)			
<b>U.S. Department of Justice</b>																					
Passed-Through State Department of Education:																					
COPS in Schools	16.710	N/A	494,824.00	7/1/2021	6/30/2023	7/1/2021	6/30/2023					19,753,391.78		(29,085,345.51)				(15,124,801.41)			
Total Special Revenue Fund																					
<b>U.S. Department of Agriculture</b>																					
Passed-Through State Department of Education:																					
Enterprise Fund:																					
National School Lunch Program	10.555	23161N1304N1099	3,161,489.97	7/1/2022	6/30/2023	7/1/2022	6/30/2023	(688,255.69)				2,961,583.86		(3,161,489.97)				(199,806.11)			
National School Lunch Program	10.555	22161N1304N1099	3,515,148.77	7/1/2021	6/30/2022	7/1/2021	6/30/2022					668,255.69									
National School Breakfast Program	10.553	23161N1303N1099	1,936,675.60	7/1/2022	6/30/2023	7/1/2022	6/30/2023	(392,974.68)				1,809,215.40		(1,936,675.60)				(127,460.20)			
National School Breakfast Program	10.553	22161N1303N1099	2,076,107.87	7/1/2021	6/30/2022	7/1/2021	6/30/2022					392,974.68						(0.00)			
Fresh Fruit & Vegetable	10.582	23161N1304L1603	235,515.01	7/1/2022	6/30/2023	7/1/2022	6/30/2023	(48,916.59)				194,149.11		(235,515.01)				(41,965.90)			
Fresh Fruit & Vegetable	10.582	22161N1304L1603	260,757.34	7/1/2021	6/30/2022	7/1/2021	6/30/2022					48,916.58						0.00			
CACFP - Dinner Program	10.558	221NJ1304N1099	260,282.34	7/1/2021	6/30/2022	7/1/2021	6/30/2022	(4,798.08)				15,107.68		(242,592.27)				(2,610.99)			
CACFP - Dinner Program	10.558	231NJ1304N1099	242,592.27	7/1/2022	6/30/2023	7/1/2022	6/30/2023					15,107.68		(242,592.27)							
Food Distribution Program	10.555	23161N1304N1099	437,064.67	7/1/2022	6/30/2023	7/1/2022	6/30/2023					437,064.67		(437,064.67)							
Supply Chain Assistance	10.555	23161N1304N1099	311,018.11	7/1/2022	6/30/2023	7/1/2022	6/30/2023					311,018.11		(311,018.11)							
Total Enterprise Fund													7,052,849.78	(6,324,355.63)				(371,543.20)			
Total Federal Financial Awar													27,189,974.65	(36,128,613.73)				(15,854,924.11)			

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**for the Fiscal Year ended June 30, 2023**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years' Balances	(Accounts Receivable)	Balance at June 30, 2023 / Deferred Revenue / Interfund Payable	Due to Grantor	MEMO		
			From	To										Budgetary Receivable	Cumulative Total Expenditures	
<b>State Department of Education</b>																
<b>General Fund:</b>																
Categorical Special Education Aid	23-495-034-5120-089	\$ 5,620,334.00	7/1/2022	6/30/2023	\$ -	\$ -	\$ 5,620,334.00	\$ (5,620,334.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (562,033.40)	\$ 5,620,334.00	
Categorical Security Aid	23-495-034-5120-090	7,482,500.00	7/1/2022	6/30/2023	-	-	7,482,500.00	(7,482,500.00)	-	-	-	-	-	(7,482,500.00)	7,482,500.00	
Education Adjustment Aid	23-495-034-5120-078	79,239,856.00	7/1/2022	6/30/2023	-	-	79,239,856.00	(79,239,856.00)	-	-	-	-	-	(7,482,500.00)	79,239,856.00	
School Choice Aid	23-495-034-5120-095	7,482,500.00	7/1/2022	6/30/2023	-	-	7,482,500.00	(7,482,500.00)	-	-	-	-	-	(7,482,500.00)	7,482,500.00	
	23-495-034-5120-068	86,669.00	7/1/2022	6/30/2023	-	-	86,669.00	(86,669.00)	-	-	-	-	-	(86,669.00)	86,669.00	
Subtotal State Aid - Public							85,590,265.20	(84,667,461.00)	-	-	-	-	-	(9,077,197.80)	94,667,461.00	
Categorical Transportation Aid	23-495-034-5120-014	1,390,702.00	7/1/2022	6/30/2023	-	-	1,251,631.80	(1,390,702.00)	-	-	-	2,396,271.10	-	(139,070.20)	1,390,702.00	
On-Behalf Teachers' Pension and Annuity Fund	23-495-034-5094-002	22,842,360.00	7/1/2022	6/30/2023	-	-	22,842,360.00	(22,842,360.00)	-	-	-	-	-	-	22,842,360.00	
On-Behalf-Teachers' Pension & Annuity Fund - Post Retirement Medical - Non-contributory Insurance	23-495-034-5094-001	6,000,633.00	7/1/2022	6/30/2023	-	-	6,000,633.00	(6,000,633.00)	-	-	-	-	-	-	6,000,633.00	
Commercial Valuation Stabilization Aid	23-495-034-5094-004	5,390.00	7/1/2022	6/30/2023	-	-	5,390.00	(5,390.00)	-	-	-	-	-	-	5,390.00	
Additional Non Public Transportation Aid	N/A	20,000,000.00	7/1/2021	6/30/2023	(20,000,000.00)	-	20,000,000.00	(20,000,000.00)	-	(20,000,000.00)	-	-	-	(20,000,000.00)	20,000,000.00	
Additional Non Public Transportation Aid	N/A	24,648.00	7/1/2022	6/30/2023	(23,780.00)	-	23,780.00	(24,648.00)	-	(24,648.00)	-	-	-	(24,648.00)	24,648.00	
Additional Non Public Transportation Aid	N/A	23,780.00	7/1/2021	6/30/2022	-	-	23,780.00	-	-	-	-	-	-	-	23,780.00	
Extraordinary Aid	32-495-034-5120-473	709,017.00	7/1/2022	6/30/2023	-	-	709,017.00	(709,017.00)	-	(709,017.00)	-	-	-	(709,017.00)	709,017.00	
Extraordinary Aid	22-495-034-5120-473	372,553.00	7/1/2021	6/30/2022	(372,553.00)	-	372,553.00	-	-	-	-	-	-	-	372,553.00	
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	5,039,192.96	7/1/2022	6/30/2023	(247,400.08)	-	4,790,109.13	(5,039,192.96)	-	(249,083.83)	-	-	-	(249,083.83)	5,039,192.96	
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	5,636,763.94	7/1/2021	6/30/2022	(20,643,733.08)	-	141,124,120.21	(150,679,403.96)	-	(20,982,748.83)	-	-	-	(30,199,016.83)	176,712,500.99	
<b>Total General Fund</b>							141,124,120.21	(150,679,403.96)	-	(20,982,748.83)	-	2,396,271.10	-	(30,199,016.83)	176,712,500.99	
<b>Special Revenue Fund:</b>																
Preschool Education Aid	23-495-034-5120-086	6,814,975.00	7/1/2022	6/30/2023	1,988,380.54	-	6,133,482.00	(6,387,084.44)	-	(681,493.00)	-	-	-	(681,493.00)	6,387,084.44	
Preschool Education Aid	22-495-034-5120-086	8,783,365.54	7/1/2021	6/30/2022	1,988,380.54	-	-	(1,988,380.54)	-	-	-	-	-	-	8,783,365.54	
N.J. Nonpublic Aid:																
Nursing	23-100-034-5120-070	10,976.00	7/1/2022	6/30/2023	-	832.51	10,976.00	(10,913.18)	(832.51)	-	-	-	62.82	10,913.18		
Nursing	22-100-034-5120-070	12,544.00	7/1/2021	6/30/2022	-	-	-	-	-	-	-	-	-	11,711.49		
Textbook Aid	23-100-034-5120-064	6,468.00	7/1/2022	6/30/2023	-	949.88	6,468.00	(1,358.43)	(949.88)	-	-	-	5,109.57	1,358.43		
Textbook Aid	22-100-034-5120-064	6,722.00	7/1/2021	6/30/2022	-	-	-	-	-	-	-	-	-	5,772.42		
Technical Aid	23-100-034-5120-373	4,704.00	7/1/2022	6/30/2023	-	1.53	4,116.00	(4,116.00)	(1.53)	-	-	-	4,116.00	4,704.00		
Technical Aid	22-100-034-5120-373	4,704.00	7/1/2021	6/30/2022	-	-	-	-	-	-	-	-	-	20,090.00		
Security Aid	23-100-034-5120-509	20,090.00	7/1/2022	6/30/2023	-	175.95	20,090.00	(19,892.81)	(175.95)	-	-	-	-	(19,892.81)	20,090.00	
Security Aid	22-100-034-5120-509	19,800.00	7/1/2021	6/30/2022	-	-	-	-	-	-	-	-	-	19,800.00		
Auxiliary Services:																
Compensatory Education	23-100-034-5120-067	49,416.00	7/1/2022	6/30/2023	-	29,548.95	49,416.00	(31,341.18)	(29,548.95)	-	-	18,074.82	-	31,341.18		
Compensatory Education	22-100-034-5120-067	55,540.00	7/1/2021	6/30/2022	-	-	-	-	-	-	-	-	-	25,891.45		
ESL	23-100-034-5120-067	11,025.00	7/1/2022	6/30/2023	-	1,458.50	11,025.00	(11,025.00)	(1,458.50)	-	-	-	-	11,025.00		
ESL	22-100-034-5120-067	8,222.00	7/1/2021	6/30/2022	-	-	-	-	-	-	-	-	-	6,763.50		
Handicapped Services:																
Examination & Classification	23-100-034-5120-066	7,965.00	7/1/2022	6/30/2023	-	-	7,965.00	(7,965.00)	-	-	-	-	-	7,965.00		
Connective Speech	23-100-034-5120-066	2,790.00	7/1/2022	6/30/2023	-	-	2,790.00	(2,790.00)	-	-	-	-	-	2,790.00		
<b>Total Special Revenue Fund</b>							6,246,528.00	(6,172,370.04)	(32,986.22)	(32,986.22)	2,396,271.10	27,560.40	-	(681,493.00)	15,330,260.08	
<b>Debt Service Fund:</b>																
Debt Service Aid	23-495-034-5120-017	387,776.00	7/1/2022	6/30/2023	-	-	387,776.00	(387,776.00)	-	-	-	-	-	-	387,776.00	
<b>Total Debt Service Fund</b>							387,776.00	(387,776.00)	-	-	-	-	-	-	387,776.00	
<b>State Department of Agriculture:</b>																
<b>Enterprise Fund:</b>																
National School Lunch Program (State Share)	23-100-010-3350-023	71,464.54	7/1/2022	6/30/2023	(15,379.04)	-	66,923.86	(71,464.54)	-	(4,540.68)	-	-	-	(4,540.68)	71,464.54	
National School Lunch Program (State Share)	22-100-010-3350-023	87,236.99	7/1/2021	6/30/2022	-	-	15,379.04	(86,547.30)	-	(6,319.40)	-	-	-	(6,319.40)	87,236.99	
National School Breakfast Program (State Share)	23-100-010-3359-023	98,547.30	7/1/2022	6/30/2023	(15,379.04)	-	92,227.90	(98,547.30)	-	(6,319.40)	-	-	-	(6,319.40)	98,547.30	
Total Enterprise Fund							174,530.80	(170,011.84)	-	(10,860.08)	-	-	-	(10,860.08)	257,248.83	
Total State Financial Assistance							147,992,755.01	(157,709,561.84)	(32,986.22)	(32,986.22)	2,396,271.10	27,560.40	-	(30,891,369.91)	192,697,915.81	

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

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE ASSISTANCE  
JUNE 30, 2023**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying schedules of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting and those in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's basic financial statements. The information included in this schedule is presented in accordance with the requirements of OMB Uniform Guidance and NJ OMB 15-08. 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% de minimis indirect cost rate.

**NOTE 3 RELATIONSHIPS TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is -\$2,328,500.00 for the general fund and -\$7,219,169.74 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	Local Grants	Total
General Fund	\$ 360,733.09	\$ 148,350,903.96	\$	\$ 148,711,637.05
Special Revenue Fund	22,506,686.83	6,190,038.48	321,979.23	29,018,704.54
Debt Service Fund		387,776.00		387,776.00
Food Service Fund	6,324,355.63	170,011.84		6,494,367.47
	<u>\$ 29,191,775.55</u>	<u>\$ 155,098,730.28</u>	<u>\$ 321,979.23</u>	<u>\$ 184,612,485.06</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE ASSISTANCE  
JUNE 30, 2023**

**NOTE 4 RELATIONSHIPS 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 under the U.S.D.A. Commodities 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, 2023. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023. This amount is included in the State column above.

**NOTE 6 ADJUSTMENTS**

The District has instances where a grant period overlaps fiscal years and the grant has not closed out at the end of the current fiscal year.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2023**

**I. SUMMARY OF AUDITORS RESULTS**

**Financial Statements**

Type of auditor’s report issued:	Unmodified Opinion issued on the Basic Financial Statements
Internal control over financial reporting:	
1) Material weakness identified?	None noted
2) Significant deficiencies identified?	None noted
Noncompliance material to basic financial Statements noted?	None noted

**Federal Awards**

Internal control over major programs:	
1) Material weakness identified?	None noted
2) Significant deficiencies identified?	None noted
Type of auditor’s report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	None noted

Identification of major programs:

<u>CFDA Numbers</u>	<u>FAIN Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>State Fiscal Stabilization Fund Under Coronavirus Aid Relief Aid, &amp; Economic Security Act</u>		
84.425D	S425D210027	Cares Emergency Relief Grant
84.425D	S425D220027	CRRSA - ESSER II
84.425D	S425D220027	CRRSA – Mental Health
84.425D	S425D220027	CRRSA – Learning Acceleration
84.425U	S425U210027	ARP - ESSER
84.425U	S425U210027	ARP – HCY
<u>Special Education Cluster</u>		
84.027	H027A220100	I.D.E.A. Part B, Basic Regular
84.027X	H027X210100	ARP - I.D.E.A. Part B, Basic Regular
84.173	H173A220114	I.D.E.A. Part B, Preschool
84.173X	H173X210114	ARP - I.D.E.A. Part B, Preschool
<u>Child Nutrition Cluster</u>		
10.555	23161NJ304N1099	National School Lunch Program
10.553	23161NJ304N1099	National School Breakfast Program
10.582	23161NJ304L1603	Fresh Fruit & Vegetable
10.558	23161NJ304N1099	CACF - Dinner Program
10.555	23161NJ304N1099	Food Distribution Program
10.555	23161NJ304N1099	Supply Chain Assistance

Dollar threshold used to distinguish between type A and type B programs:	\$750,000.00
Auditee qualified as low-risk auditee?	Yes



**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2023**

I. SUMMARY OF AUDITORS RESULTS - Continued

**State Awards**

Dollar threshold used to distinguish between type A and Type B Programs:	\$3,265,835.37
Auditee qualified as low-risk auditee?	Yes
Type of auditor's report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs
Internal Control over major programs:	
1) Material weakness identified?	None noted
2) Significant deficiencies identified?	None noted
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No
Identification of major programs:	

**GMIS Numbers**

**Name of State Program**

**State Aid Public Cluster of Programs**

23-495-034-5120-068	School Choice Aid
23-495-034-5120-078	Equalization Aid
23-495-034-5120-089	Special Education Aid
23-495-034-5120-084	Security Aid
23-495-034-5120-085	Adjustment Aid

II. **FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS**

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

III. **FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

Federal:  
Our audit disclosed no material Findings or Questioned Costs.

State:  
Our audit disclosed no material Findings or Questioned Costs.

**CITY OF ATLANTIC CITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2023**

**STATUS OF PRIOR YEAR FINDINGS**

There were no Prior Year Findings.