

**BURLINGTON COUNTY SPECIAL SERVICES  
SCHOOL DISTRICT**

Westampton, New Jersey  
County of Burlington

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Prepared by**

**Burlington County Special Services School District  
Finance Department**

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**INTRODUCTORY SECTION**



**Burlington County Special Services School District  
Burlington County Institute of Technology**

**Discover  
Your  
Potential**

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Mr. Andrew C. Willmott, CPA  
Business Administrator/Board Secretary  
awillmott@burlcoschools.org

November 30, 2023

Honorable President and Members of the Board of Education  
Burlington County Special Services School District  
County of Burlington  
Westampton, New Jersey 08060

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Burlington County Special Services School District for the fiscal year 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 Burlington County Special Services School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, 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 district as of June 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district’s financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

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

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors’ Report and includes the Management’s Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”.

Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

### **REPORTING ENTITY AND ITS SERVICES**

The Burlington County Special Services School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of special educational services appropriate to grade levels K through 12. The School District's enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

Fiscal Year	Student Enrollment	Percent Change
2022-2023	540	2.66%
2021-2022	526	-6.07%
2020-2021	560	-8.65%
2019-2020	613	-3.01%
2018-2019	632	-1.40%
2017-2018	641	-4.04%
2016-2017	668	1.37%
2015-2016	659	-3.37%
2014-2015	682	-3.81%
2013-2014	709	-8.39%

### **ECONOMIC CONDITION AND OUTLOOK**

The Burlington County Special Services School District, centrally situated in Burlington County, New Jersey, stands as a beacon of educational commitment and innovation. Nestled within easy reach of Philadelphia, Pennsylvania, and New York City, New York, its strategic location offers accessibility to vibrant metropolitan hubs, enriching the district's cultural and academic landscape.

In the face of declining enrollment, the district has demonstrated remarkable financial acumen by consistently fortifying its financial standing. Despite these challenges, the district remains resolute in its mission to enhance the breadth and caliber of services provided, all while maintaining a judicious fiscal approach.

Dedicated to the pursuit of excellence, Burlington County Special Services School District continues to implement forward-thinking strategies aimed at bolstering educational provisions. Through a multi-faceted approach that champions resource optimization, the introduction of pioneering pedagogical methodologies, collaborative ventures with local institutions, and the strategic integration of cutting-edge technology, the district is steadfast in elevating educational standards.

Embracing innovation as a cornerstone, the district remains committed to nurturing a dynamic learning environment where students receive top-tier services without compromising the constraints of the budget. This commitment echoes the district's unwavering dedication to fostering academic growth and ensuring an enriching educational journey for every student within its purview.

### **MAJOR INITIATIVES**

BCSSSD has made significant strides in bolstering enrollment at the Westampton Campus by proactively expanding infrastructure, incorporating additional classrooms, and tailoring specialized programming to cater to the diverse needs of all students. This achievement stems from a meticulously devised strategic blueprint, meticulously analyzing and restructuring staffing and programming across the entire campus.

Central to this success are the district's robust collaborations with local businesses and organizations. These partnerships have paved the way for invaluable opportunities, encompassing employment prospects, educational enhancements, and therapeutic experiences, all of which directly benefit our students. Moreover, these alliances

have played a pivotal role in broadening our footprint within the community. Esteemed partners such as RCBC, Care Solace, Tri-State Canine Response Team, and Miller Ford exemplify our commitment to fostering meaningful connections that enrich our students' educational journey.

In parallel, BCSSSD prioritizes the professional growth of its staff through a comprehensive approach to professional development. Initiatives encompass diversity, equity, and inclusion training, trauma-informed practices, and engagement rooted in healing-centered methodologies. These efforts are aimed at continuously nurturing and empowering BCSSSD's dedicated staff members, ensuring they remain adept at meeting the evolving needs of our student body.

Highlighting our commitment to character development, BCAS has been honored with a prestigious State School of Character distinction. This recognition underscores our unwavering dedication to cultivating a school culture that encourages moral action, fosters shared leadership, and actively engages the entire school community in character-building endeavors. These initiatives significantly contribute to enhancing the overall educational experience for each and every student.

Furthermore, BCSSSD remains at the forefront of educational innovation by continuously expanding its curriculum to adapt to the evolving needs of our students. Integrating social-emotional learning and career readiness programs is a testament to this commitment. Initiatives such as Care Solace, Zones of Regulation, Career Safe, and Digitability exemplify our proactive approach to preparing students for success in an ever-changing world.

#### **INTERNAL ACCOUNTING CONTROLS**

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

As part of the School 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.

#### **BUDGETARY CONTROLS**

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.



**ACCOUNTING SYSTEM AND REPORTS**

The School District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District’s accounting system is organized on the basis of funds. The funds are explained in “Notes to Financial Statements”, Note 1.

**FINANCIAL POLICIES**

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

**OTHER INFORMATION**


**INDEPENDENT AUDIT**


State statutes require an annual audit by independent certified public accountants. The accounting firm of Brent W. Lee & Co., LLC, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor’s report on the basic financial statements and combining statements and related major fund supporting 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.

**ACKNOWLEDGEMENTS**

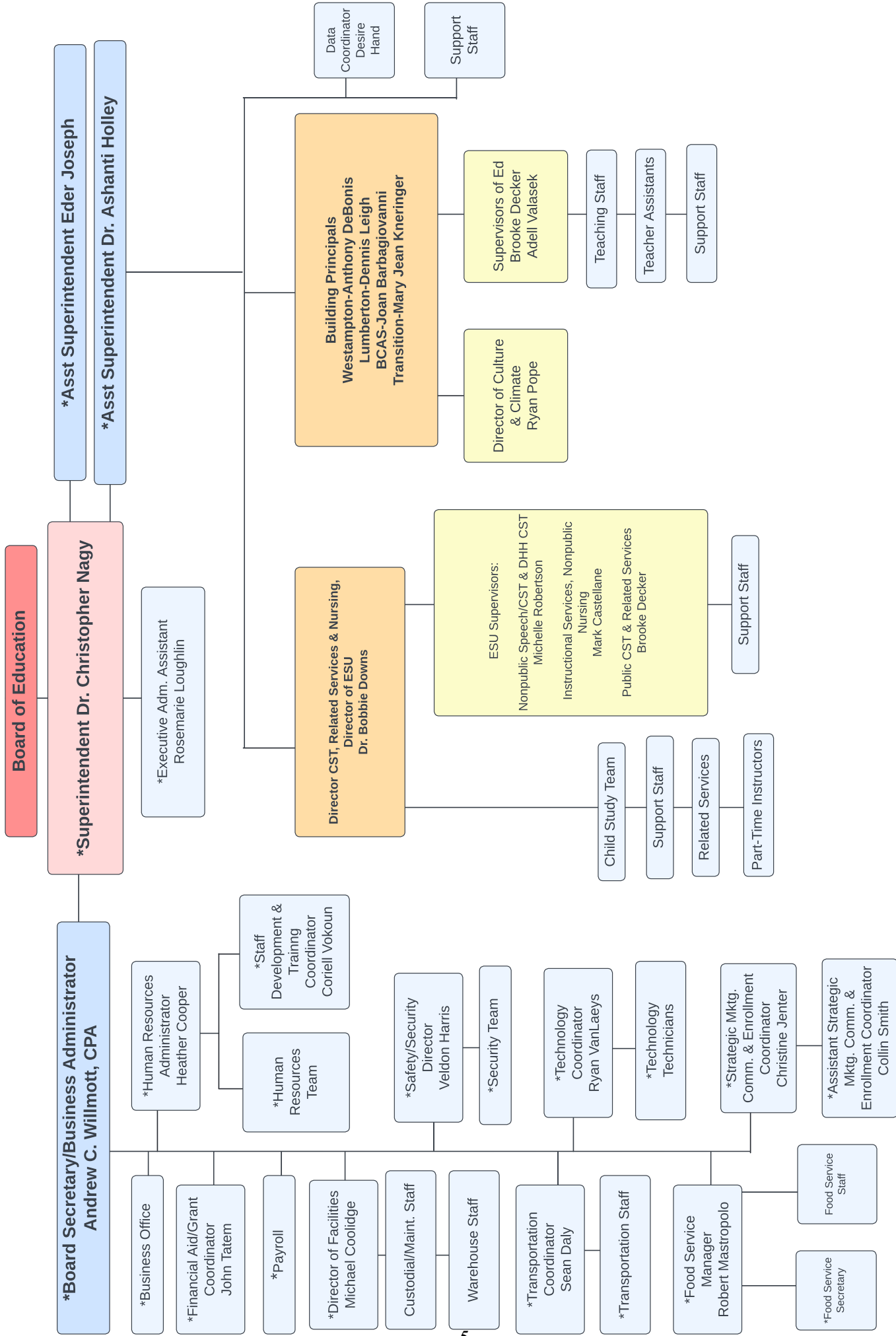
We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation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

Respectfully submitted,

  
\_\_\_\_\_  
Christopher Nagy, Ed. D.  
Superintendent

  
\_\_\_\_\_  
Andrew C. Willmott, CPA  
School Business Administrator/Board Secretary

Burlington County Special Services School District  
2022-2023



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**ROSTER OF OFFICIALS**

**JUNE 30, 2023**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>TERM EXPIRES</b>
Tyler J. Burrell, President	2024
Robert Britain, Vice President	2024
Odise Carr	2025
Lorene Moore	2025
Michelle Parker	2023
Leon E. Jones, Jr.	2023

**OTHER OFFICIALS**

Dr. Christopher Nagy, Superintendent

Andrew Willmott, Business Administrator/Board Secretary

Constance L. Stewart, Treasurer

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**CONSULTANTS AND ADVISORS**

**ARCHITECT**

Netta Architects  
1084 Route 22 West  
Mountainside, New Jersey 07092

**AUDIT FIRM**

Brent W. Lee & Co., LLC  
39 Paddock Lane  
Cinnaminson, New Jersey 08077

**ATTORNEY**

Malamut & Associates, LLC  
457 Haddonfield Road, Suite 500  
Cherry Hill, New Jersey 08002

**OFFICIAL DEPOSITORY**

OceanFirst Bank  
Mount Laurel, NJ 08054

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**FINANCIAL SECTION**



BRENT W. LEE & CO., LLC  
Certified Public Accounting Firm

Independent Auditor's Report

The Honorable President and Members  
of the Board of Education  
Burlington County Special Services School District  
County of Burlington  
Westampton, New Jersey 08060

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

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the 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 the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and for the design, implementation, and maintenance of

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

internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Exercise professional 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.



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

### **Required Supplemental Information**

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information, and the schedules related to accounting and reporting for pension and other post-retirement benefits, as listed on 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 District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards (*Uniform Guidance*) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and 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 standard generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the financial statements. The other information comprises the supplementary information and statistical section, as listed in the table of

contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued a report dated November 30, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,



Brent W. Lee  
Certified Public Accountant  
Licensed Public School Accountant No. 700

Cinnaminson, New Jersey  
November 30, 2023

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited)**

As management of the Burlington County Special Services School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Overview of the Basic Financial Statements**

This discussion and analysis are intended to serve as an introduction to the School District's basic financial statements. A comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund and Special Revenue Fund. Business-type activities reflect the Food Service Fund, School Store Fund, Educational Services Unit Fund, Capital Academy Fund and Alternate Education Program Fund.

**Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements,

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Fund Financial Statements (continued)**

the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

The School District's enterprise funds are listed individually and are considered to be major funds.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's programs.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

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

Table 1 provides a summary of the School Districts net position for the fiscal year 2023 compared to fiscal year 2022.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Financial Analysis of the School District as a Whole (continued)**

**Table 1**  
**Summary of Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
Current & Other Assets	\$ 16,193,855	\$ 14,666,836	\$ 1,527,019	10.4%
Capital Assets, Net	7,501,992	6,599,106	902,886	13.7%
Total Assets	<u>23,695,847</u>	<u>21,265,942</u>	<u>2,429,905</u>	11.4%
Deferred Outflow of Resources	<u>1,569,945</u>	<u>985,333</u>	<u>584,612</u>	59.3%
Current and other Liabilities	<u>3,957,342</u>	<u>6,277,799</u>	<u>(2,320,457)</u>	-37.0%
Noncurrent Liabilities	<u>18,925,388</u>	<u>16,329,955</u>	<u>2,595,433</u>	15.9%
Total Liabilities	<u>22,882,730</u>	<u>22,607,754</u>	<u>274,976</u>	1.2%
Deferred Inflow of Resources	<u>4,852,488</u>	<u>10,825,127</u>	<u>(5,972,639)</u>	-55.2%
Net Position:				
Net Investment in Capital Assets	7,501,992	6,599,106	902,886	13.7%
Restricted	7,530,934	4,219,899	3,311,035	78.5%
Unrestricted (Deficit)	<u>(17,502,352)</u>	<u>(22,000,611)</u>	<u>4,498,259</u>	-20.4%
Total Net Position	<u>(2,469,426)</u>	<u>(11,181,606)</u>	<u>8,712,180</u>	-77.9%

Table 2 shows the changes in net position for fiscal year 2023 compared to fiscal year 2022.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Financial Analysis of the School District as a Whole (continued)**

**Table 2**  
**Summary of Changes in Net Position (continued)**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
<b>Revenues:</b>				
Program Revenues:				
Charges for Services	\$ 12,838,388	\$ 12,018,150	\$ 820,238	6.8%
Operating Grants & Contributions	9,508,145	9,823,484	(315,339)	-3.2%
Capital Grants & Contributions				
General Revenues:				
County Appropriations	5,000,000	5,000,000	-	0.0%
Federal & State Aid	548,777	395,295	153,482	38.8%
Other General Revenues	<u>40,182,917</u>	<u>38,441,314</u>	<u>1,741,603</u>	4.5%
Total Revenues	<u>68,078,227</u>	<u>65,678,243</u>	<u>2,399,984</u>	3.7%
<b>Function/Program Expenditures:</b>				
Special Education Instruction	14,156,801	13,901,286	255,515	1.8%
Other Instruction	236,667	274,724	(38,057)	-13.9%
Student & Instruction Related Services	5,878,573	5,462,978	415,595	7.6%
General Administrative	3,088,011	4,066,151	(978,140)	-24.1%
School Administrative Services	723,771	776,255	(52,484)	-6.8%
Plant Operations & Maintenance	3,759,771	3,600,920	158,851	4.4%
Pupil Transportation	218,009	158,347	59,662	37.7%
Unallocated Benefits	16,650,516	15,755,652	894,864	5.7%
Unallocated Depreciation	608,558	606,093	2,465	0.4%
Food Service	944,809	920,057	24,752	2.7%
School Store	4,272	120	4,152	3460%
Educational Services Unit	10,298,590	10,275,497	23,093	0.2%
Capital Academy	839,162	320,422	518,740	161.9%
Alternative Education Program	<u>2,092,865</u>	<u>2,051,284</u>	<u>41,581</u>	2.0%
Total Expenditures	<u>59,500,375</u>	<u>58,169,786</u>	<u>1,330,589</u>	2.3%
Change in Net Position	8,577,852	7,508,457	\$ 1,069,395	14.2%
Net Position- Beginning	(11,047,278)	(18,690,063)	7,642,785	-40.9%
Net Position- Ending	<u>\$ (2,469,426)</u>	<u>\$ (11,181,606)</u>	<u>\$ 8,712,180</u>	-77.9%

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Governmental Activities**

During the fiscal year 2023, the net position of governmental activities increased by \$8,577,658.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$(4,598,784), with an unrestricted deficit balance of \$(18,560,921). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable and GASB 68 net pension liability.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3**  
**GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (with GASB 68)	\$	(18,429,545.00)
Add back: PERS Pension Liability		18,573,127.00
Less: Deferred Outflows related to pensions		(1,308,244.00)
Add back: Deferred Inflows related to pensions		<u>4,852,488.00</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>3,687,826.00</u>

**Business-type Activities**

During the fiscal year 2023, the net position of business-type activities decreased by \$131,182.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$1,997,982.

**General Fund Budgeting Highlights**

Final budgeted revenue was \$42,820,148, which was equal to the original budget. Excluding nonbudgeted revenues, the School District’s budgeted revenues exceeded actual revenues by \$2,440,813.

Final budgeted appropriations were \$41,873,355, which was a decrease of \$721,793 from the original budget. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$1,493,637.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$12,029,692 at June 30, 2023, an increase of \$4,044,106 from the prior year.



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Governmental Funds**

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$12,029,692, an increase of \$4,044,106 from the prior year.

*General fund* - During the current fiscal year, the fund balance of the School District's general fund increased by \$4,044,106 to \$12,029,692 at June 30, 2023, compared to an increase of \$2,741,203 in fund balance in the prior fiscal year.

**Proprietary Funds**

*Food Service Fund* - During the current fiscal year, the net position of the School District's food service fund decreased by \$244,545 to \$293,940 at June 30, 2023, compared to an increase of \$193,808 in net position in the prior fiscal year. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- We are working towards reducing costs to break even. Due to our population, we have specialized, costly diets so the BoE has to contribute to offset operating deficits.

*Educational Services Unit Fund* - During the current fiscal year, the net position of the School District's educational services unit fund increased by \$32,355 to \$821,036 at June 30, 2023, compared to an increase of \$751,955 in net position in the prior fiscal year. The primary factor affecting the change in net position is as follows:

- ESU had the first profitable year in over ten years. We performed an in-depth analysis of all aspects of the program and have been working towards this goal for the last three years. We expect to break even in the 2024 school year.

*Alternative Education Program* - During the current fiscal year, the net position of the School District's alternative education program fund increased by \$231,504 to \$883,006 at June 30, 2023, compared to an increase of \$318,723 in net position in the prior fiscal year. The primary factor(s) affecting the change in net position is as follows:

- Year over year, the revenue and expenditures remained consistent. We are working with our Administrative team to increase enrollment.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$7,501,992 (net of accumulated depreciation). Capital assets includes construction in progress, land improvements, buildings and improvements and equipment. The school districts “Net Investment in Capital Assets” component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net increase in the School District’s investment in capital assets for the current fiscal year in the amount of \$902,886. This increase is primarily due to the current year depreciation of capital assets exceeded prior year asset acquisitions. Table 4 shows fiscal 2023 balances compared to 2022.

**Table 4**  
**Summary of Capital Assets**

<u>Capital Assets (Net of Depreciation):</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
Land Improvements	499,925	522,617	(22,692)	-4.3%
Building and Improvements	4,794,857	3,504,621	1,290,236	36.8%
Equipment	1,083,181	1,102,252	(19,071)	-1.7%
Right-of-Use Asset	1,124,029	1,469,616	(345,587)	-23.5%
	<u>7,501,992</u>	<u>6,599,106</u>	<u>902,886</u>	13.7%
Depreciation Expense	<u>(913,866)</u>	<u>743,438</u>		

**Debt Administration**

**Long-term debt** – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$-0-, which is the same as the prior year.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

**Factors on the School District’s Future**

The District continues to improve the quality of education and efficiencies each year minimizing costs while maximizing educational benefits. The number of students received is a large factor contributing to the District’s future and this is expected to increase over the next few years. Over the past few years student enrollment has decreased.

**Contacting the School Districts Financial Management**

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary’s Office, Burlington County Special Services School District, 20 Pioneer Boulevard, Westampton, NJ 08060.

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**BASIC FINANCIAL STATEMENTS**

## **A. Government-Wide Financial Statements**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
FOR YEAR ENDED JUNE 30, 2023**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 3,351,089	1,589,098	\$ 4,940,187
Internal Balances	1,619,645	(1,619,645)	-
Receivables, Net (Note 4)	2,183,942	2,122,115	4,306,057
Inventory		10,553	10,553
Restricted Cash & Cash Equivalents	6,937,058		6,937,058
Capital Assets, Net			
Depreciable (Note 5)	6,431,203	1,070,789	7,501,992
<b>Total Assets</b>	<b>20,522,937</b>	<b>3,172,910</b>	<b>23,695,847</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to Pension (Note 9)	1,308,244		1,308,244
Related to SBITAs	131,376		131,376
Related to Leases	4,706	125,619	130,325
<b>Total Deferred Outflows of Resources</b>	<b>1,444,326</b>	<b>125,619</b>	<b>1,569,945</b>
<b>LIABILITIES</b>			
Accounts Payable	1,451,866	121,455	1,573,321
Due to Other Governments	1,596,225		1,596,225
Accrued Salaries	22,863		22,863
Lease Payable		321,269	321,269
Unearned Revenue	443,664		443,664
Noncurrent Liabilities (Note 8):			
Due Beyond One Year	18,067,565	857,823	18,925,388
<b>Total Liabilities</b>	<b>21,582,183</b>	<b>1,300,547</b>	<b>22,882,730</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to Pension (Note 9)	4,852,488		4,852,488
<b>Total Deferred Inflows of Resources</b>	<b>4,852,488</b>	<b>-</b>	<b>4,852,488</b>
<b>NET POSITION</b>			
Net Investment in			
Capital Assets	6,431,203	1,070,789	7,501,992
Restricted for:			
Capital Projects	6,937,058	-	6,937,058
Unemployment Compensation	450,227		450,227
Student Activities	143,649		143,649.0
Unrestricted	(18,429,545)	927,193	(17,502,352)
<b>Total Net Position</b>	<b>\$ (4,467,408)</b>	<b>1,997,982</b>	<b>\$ (2,469,426)</b>

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	BUSINESS-TYPE ACTIVITIES	TOTALS
Governmental Activities:					
Instruction:					
Special Education	\$ 14,156,801			\$ (14,156,801)	(14,156,801)
Other Special Instruction	236,667			(236,667)	(236,667)
Support Services:			71,205		
Student & Instruction Related Services	5,878,573			(5,807,368)	(5,807,368)
School Administrative Services	723,771			(723,771)	(723,771)
General & Business Administrative Services	3,088,011			(3,088,011)	(3,088,011)
Plant Operations & Maintenance	3,759,771			(3,759,771)	(3,759,771)
Pupil Transportation	218,009			(218,009)	(218,009)
Unallocated Benefits	7,586,567			(7,586,567)	(7,586,567)
On Behalf TPAF Pension & Social Security				-	-
Contributions	9,063,949		9,063,949		
Unallocated Depreciation	608,558			(608,558)	(608,558)
<b>Total Governmental Activities</b>	<b>45,320,677</b>	<b>-</b>	<b>9,135,154</b>	<b>(36,185,523)</b>	<b>(36,185,523)</b>
Business-Type Activities:					
Food Service	944,809	156,019	372,991	(415,799)	(415,799)
School Store	4,272	-		(4,272)	(4,272)
Educational Services	10,298,590	10,253,166		(45,424)	(45,424)
Capital Academy	839,162	839,162		-	-
Alternative Education Program	2,092,865	1,590,041		(502,824)	(502,824)
<b>Total Business-Type Activities</b>	<b>14,179,698</b>	<b>12,838,388</b>	<b>372,991</b>	<b>(968,319)</b>	<b>(968,319)</b>
<b>Total Primary Government</b>	<b>\$ 59,500,375</b>	<b>12,838,388</b>	<b>9,508,145</b>	<b>(36,185,523)</b>	<b>\$ (37,153,842)</b>
<b>General Revenues:</b>					
County Appropriation				5,000,000	5,000,000
Federal & State Aid Not Restricted				548,777	548,777
Tuition Received				28,650,380	28,650,380
Tuition Charges				10,108,121	10,108,121
Non Resident Fees				354,501	354,501
Miscellaneous Income				1,069,915	1,069,915
Transfers				(837,137)	-
<b>Total General Revenues, Special Items, Extraordinary Items &amp; Transfers</b>				<b>44,894,557</b>	<b>45,731,694</b>
<b>Change In Net Position</b>				<b>8,709,034</b>	<b>8,577,852</b>
Net Position - July 1				(13,176,442)	(11,181,606)
Prior Period Adjustments				-	134,328
<b>Net Position - July 1, Restated</b>				<b>(13,176,442)</b>	<b>(11,047,278)</b>
<b>Net Position - Ending</b>				<b>1,997,982</b>	<b>(2,469,426)</b>

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

## **B. Fund Financial Statements**



**Governmental Funds**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
FOR THE YEAR ENDED JUNE 30, 2023**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL
Cash & Cash Equivalents	\$ 3,207,440	\$ 143,649	\$ 3,351,089
Receivables, Net:			
Interfund Receivable	1,619,645		1,619,645
Due from Other Governments:			
Federal	122,005		122,005
Other	2,061,937		2,061,937
Restricted Cash & Cash Equivalents	6,937,058		6,937,058
	<hr/>		<hr/>
Total Assets	\$ 13,948,085	143,649	\$ 14,091,734
	<hr/> <hr/>		<hr/> <hr/>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	1,160,337		1,160,337
Unearned Revenue	443,664		443,664
Payroll Deductions and Withholdings Payable	291,529		291,529
Accrued Salaries & Wages	22,863		22,863
	<hr/>		<hr/>
Total Liabilities	1,918,393	-	1,918,393
	<hr/>		<hr/>
Fund Balances:			
Restricted for:			
Capital Reserve	6,937,058		6,937,058
Unemployment Compensation	450,227		450,227
Student Activities		143,649	143,649
Assigned to:			
Other Purposes	1,493,637		1,493,637
Unassigned	3,148,770		3,148,770
	<hr/>		<hr/>
Total Fund Balances	12,029,692	143,649	12,173,341
	<hr/>		<hr/>
Total Liabilities & Fund Balances	\$ 13,948,085	143,649	
	<hr/> <hr/>		<hr/> <hr/>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$14,382,286 and the accumulated depreciation is \$7,951,083.	\$ 6,431,203
Subscription-Based Information Technology Arrangements (SBITA's) used in governmental activities are not financial resources and therefore are not reported in the funds.	131,376
Deferred outflows and inflows of resources related to pensions & leases are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred Outflows Related to Pensions	1,308,244
Deferred Outflows Related to Leases	4,706
Deferred Inflows Related to Pensions	(4,852,488)
Accrued pension contributions for June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(1,596,225)
Long term liabilities, including compensated absences, lease obligations and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<hr/> (18,067,565)
Net Position of Governmental Activities	<hr/> <hr/> (8,467,408)

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL
Revenues:			
County Appropriation	\$ 5,000,000		\$ 5,000,000
Tuition Charges	28,650,380		28,650,380
Other Tuition	10,108,121		10,108,121
Nonresident Fees	354,501		354,501
Miscellaneous	853,372		853,372
Local Sources		57,247	57,247
State Sources	9,063,949	12,700	9,076,649
Federal Sources	294,587	312,695	607,282
<b>Total Revenues</b>	<b>54,324,910</b>	<b>382,642</b>	<b>54,707,552</b>
Expenditures:			
Instruction:			
Special Education Instruction	14,156,801	-	14,156,801
Other Special Instruction	236,667		236,667
Support Services & Undistributed Costs:			
Student & Instruction Related Services	5,807,368	71,205	5,878,573
School Administrative Services	723,771		723,771
Other Administrative Services	3,088,011		3,088,011
Plant Operations & Maintenance	3,759,771		3,759,771
Pupil Transportation	218,009		218,009
Unallocated Benefits	10,858,002		10,858,002
On-Behalf TPAF Pension & Social Security Contributions	9,063,949		9,063,949
Capital Outlay	1,531,318	325,395	1,856,713
<b>Total Expenditures</b>	<b>49,443,667</b>	<b>396,600</b>	<b>49,840,267</b>
Excess/(Deficiency) of Revenues Over Expenditures	4,881,243	(13,958)	4,867,285
Other Financing Sources/(Uses):			
Board Contributions to Enterprise Funds	(837,137)		(837,137)
Board Contributions to County	-		-
<b>Total Other Financing Sources &amp; (Uses)</b>	<b>(837,137)</b>	<b>-</b>	<b>(837,137)</b>
Net Change in Fund Balances	4,044,106	(13,958)	4,030,148
Fund Balance - July 1	7,985,586	157,607	8,143,193
Fund Balance - June 30	\$ 12,029,692	143,649	\$ 12,173,341

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$4,030,148

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

Capital Outlays	\$ 1,856,713	
Adjustments per District Appraisal	(39,961)	
Depreciation Expense	(608,558)	1,208,194

Repayment of lease obligation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Right-to-Use Asset Adjustment	23,260	
Current Year	44,621	67,881

Governmental funds report outlays for Subscription-Based Information Technology Arrangements (SBITA's) as expenditures. However, in the statement of Activities, the cost of those intangible assets is allocated over their 12 month subscription term.

131,376

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including services and interest costs, administrative costs, investment returns, and experience/assumptions. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.

6,232,757

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

(2,961,322)

Change in Net Position of Governmental Activities

\$8,709,034

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

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**Proprietary Funds**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2023**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND					TOTALS
	FOOD SERVICE FUND	SCHOOL STORE	EDUCATIONAL SERVICES UNIT	CAPITAL ACADEMY	ALTERNATIVE EDUCATION PROGRAM	
Current Assets:						
Cash & Cash Equivalents	\$ 514,583	-	401,007		673,508	1,589,098
Receivable:						
State	540	-	-		-	540
Federal	16,072	-	-		-	16,072
Other	1,452	-	1,808,025	103,104	192,922	2,105,503
Inventories	10,553	-	-		-	10,553
<b>Total Current Assets</b>	<b>543,200</b>	<b>-</b>	<b>2,209,032</b>	<b>103,104</b>	<b>866,430</b>	<b>3,721,766</b>
Noncurrent Assets:						
Capital Assets	45,900	-	-		3,043,991	3,089,891
Less: Accumulated Depreciation	(45,160)	-	-		(1,973,942)	(2,019,102)
<b>Total Capital Assets, Net</b>	<b>740</b>	<b>-</b>	<b>-</b>		<b>1,070,049</b>	<b>1,070,789</b>
<b>Total Assets</b>	<b>543,940</b>	<b>-</b>	<b>2,209,032</b>	<b>103,104</b>	<b>1,936,479</b>	<b>4,792,555</b>
DEFERRED OUTFLOWS OF RESOURCES						
Related to Leases					125,619	125,619
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,619</b>	<b>125,619</b>
LIABILITIES						
Accounts Payable	-	-	121,455		-	121,455
Interfund Payables	250,000	-	1,266,541	103,104	-	1,619,645
Lease Payable	-	-	-		321,269	321,269
Noncurrent Liabilities:						
Due Beyond One Year	-	-	-		857,823	857,823
<b>Total Current Liabilities</b>	<b>250,000</b>	<b>-</b>	<b>1,387,996</b>	<b>103,104</b>	<b>1,179,092</b>	<b>2,920,192</b>
NET POSITION						
Net Investment in Capital Assets	740	-	-		16,576	17,316
Unrestricted (Deficit)	293,200	-	821,036		866,430	1,980,666
<b>Total Net Position</b>	<b>\$293,940</b>	<b>-</b>	<b>821,036</b>	<b>-</b>	<b>883,006</b>	<b>1,997,982</b>

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND					TOTALS
	FOOD SERVICE FUND	SCHOOL STORE	EDUCATIONAL SERVICES UNIT	CAPITAL ACADEMY	ALTERNATIVE EDUCATION PROGRAM	
<b>OPERATING REVENUES</b>						
Local Sources:						
Daily Sales - Reimbursable Programs:						
School Lunch & Breakfast Programs	\$ -	-	-	-	-	\$ -
Daily Sales - Nonreimbursable Programs	114,983	-	-	-	-	114,983
Special Functions	-	-	-	-	-	-
Fees for Services	-	-	10,253,166	-	-	10,253,166
Other Revenue	41,036	-	-	839,162	1,590,041	2,470,239
Sale of Merchandise	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>156,019</b>	<b>-</b>	<b>10,253,166</b>	<b>839,162</b>	<b>1,590,041</b>	<b>12,838,388</b>
<b>OPERATING EXPENSES</b>						
Salaries & Wages	466,064	-	8,259,360	839,162	118,452	9,683,038
Employee Benefits	-	-	1,338,791	-	-	1,338,791
Purchased Professional Services	-	-	259,071	-	1,546,800	1,805,871
Purchased Services - Transportation	-	-	269,767	-	-	269,767
Rental of Land and Building	-	-	-	-	50,537	50,537
Travel	-	-	15,456	-	2,467	17,923
Repairs	-	-	-	-	17,447	17,447
Supplies & Materials	106,566	-	139,826	-	34,726	281,118
Depreciation	553	-	-	-	304,755	305,308
Textbooks	-	-	-	-	3,302	3,302
Miscellaneous Expenditures	45,740	4,272	16,319	-	14,379	80,710
Cost of Sales - Reimbursable Programs	280,109	-	-	-	-	280,109
Cost of Sales - Non-Reimbursable Programs	45,777	-	-	-	-	45,777
<b>Total Operating Expenses</b>	<b>944,809</b>	<b>4,272</b>	<b>10,298,590</b>	<b>839,162</b>	<b>2,092,865</b>	<b>14,179,698</b>
<b>Operating Gain/( Loss)</b>	<b>(788,790)</b>	<b>(4,272)</b>	<b>(45,424)</b>	<b>-</b>	<b>(502,824)</b>	<b>(1,341,310)</b>
<b>Nonoperating Revenues:</b>						
State Sources:						
State School Lunch Program	9,514	-	-	-	-	9,514
Federal Source:						
School Breakfast Program	97,530	-	-	-	-	97,530
National School Lunch Program	215,372	-	-	-	-	215,372
Food Distribution Program	50,575	-	-	-	-	50,575
Other Sources:						
Transfer In/(Out) General Fund	171,254	(11,896)	77,779	-	600,000	837,137
<b>Total Nonoperating Revenues/Expenses</b>	<b>544,245</b>	<b>(11,896)</b>	<b>77,779</b>	<b>-</b>	<b>600,000</b>	<b>1,210,128</b>
<b>Change in Net Position</b>	<b>(244,545)</b>	<b>(16,168)</b>	<b>32,355</b>	<b>-</b>	<b>97,176</b>	<b>(131,182)</b>
<b>Total Net Position-July 1</b>	<b>538,485</b>	<b>16,168</b>	<b>788,681</b>	<b>-</b>	<b>651,502</b>	<b>1,994,836</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>134,328</b>	<b>134,328</b>
<b>Total Net Position-July 1</b>	<b>538,485</b>	<b>16,168</b>	<b>788,681</b>	<b>-</b>	<b>785,830</b>	<b>2,129,164</b>
<b>Total Net Position-Ending</b>	<b>\$ 293,940</b>	<b>-</b>	<b>821,036</b>	<b>-</b>	<b>883,006</b>	<b>\$ 1,997,982</b>

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



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND					TOTALS
	FOOD SERVICE FUND	SCHOOL STORE	EDUCATIONAL SERVICES UNIT	CAPITAL ACADEMY	ALTERNATIVE EDUCATION PROGRAM	
Cash Flows From Operating Activities:						
Receipts from Customers	\$ 188,291	-	10,391,464	736,058	1,685,754	13,001,567
Payments to Employees	(466,064)	-	-	(839,162)	(118,452)	(1,423,678)
Payments to Suppliers	(217,460)	-	(11,467,122)	103,104	(1,669,658)	(13,251,136)
Net Cash Provided by/(Used for) Operating Activities	(495,233)	-	(1,075,658)	-	(102,356)	(1,673,247)
Cash Flows From Noncapital Financing Activities:						
State Sources	9,514					9,514
Federal Sources	363,477					363,477
Operating Subsidies & Transfers to Other Funds, Net	171,254	(11,896)	77,779	-	600,000	837,137
Net Cash Provided by/(Used for) Noncapital Financing Activities	544,245	(11,896)	77,779	-	600,000	1,210,128
Cash Flows From Capital & Related Financing Activities:						
Purchases of Capital Assets	-	-	-	-	(309,461)	(309,461)
Net Cash Provided by/(Used for) Capital & Related Financing Activities	-	-	-	-	(309,461)	(309,461)
Cash Flows From Investing Activities:						
Interest & Dividends	-	-	-	-	-	-
Net Cash Provided y/(Used for) Investing Activities	-	-	-	-	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	49,012	(11,896)	(997,879)	-	188,183	(772,580)
Balances - Beginning of Year	465,571	11,896	1,398,886	-	485,325	2,361,678
Balances - End of Year	\$ 514,583	-	401,007	-	673,508	\$ 1,589,098

**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:**

Operating Income/(Loss)	\$ (788,790)	(4,272)	(45,424)	-	(502,824)	\$ (1,341,310)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Depreciation & Net Amortization	553	-	-	-	304,755	305,308
(Increase)/Decrease in Accounts Receivable, Net	32,272	-	138,298	(103,104)	87,004	154,470
(Increase)/Decrease in Inventories	10,732	4,272	-	-	-	15,004
(Increase)/Decrease in Deferred Inflow of Resources					8,709	8,709
Increase/(Decrease) in Accounts Payable	250,000	-	(1,168,532)	103,104	-	(815,428)
Total Adjustments	293,557	4,272	(1,030,234)	-	400,468	(331,937)
Net Cash Provided by/(Used for) Operating Activities	(\$495,233)	-	(1,075,658)	-	(102,356)	(1,673,247)

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

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**Fiduciary Fund**

**Not Applicable**

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**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

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

**Reporting Entity**

The Burlington County Special Services School District is a Special Services School District located in the County of Burlington, State of New Jersey. As a Special Services School District, the School District functions independently through a Board of Education. The Board is comprised of six members appointed to three-year terms by the County Commissioners. These terms are staggered so that two members’ terms expire each year. The purpose of the School District is to provide programs adapted to each student’s unique needs and abilities. Focusing on students’ capabilities, the School District provides specialized academic instructional approaches, a carefully planned sequence of career development experiences, physical education, and recreational activities combined with the specialized therapeutic interventions needed to assure that each child reaches full potential. By carefully structuring each student’s program on an individual basis, the School District strives to have each student become a productive, self-sufficient member of the community. The Burlington County Special Services School District has an approximate enrollment at June 30, 2023 of 515 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is a component unit of the County of Burlington, however, the County of Burlington reports on a regulatory basis of accounting which excludes component units. The County of Burlington’s financial statements may be obtained directly from the County of Burlington Department of Finance and Administration.

**Component Units**

GASB Statement No.14. *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*. The School District had no component units as of for the year ended June 30, 2023.

**Government-Wide Financial Statements**

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

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

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

**Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

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

# BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023

### Note 1. Summary of Significant Accounting Policies (continued):

#### Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

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

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

#### Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

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 current fiscal year-end. 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. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund and the C.D.A. program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

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

The District reports the following major proprietary funds:

**Food Service Fund** – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

**School Store Fund** – This fund accounts for the revenues and expenses pertaining to the District’s school store operations.

**Educational Services Unit Fund** – This fund accounts for the revenues and expenses pertaining to the District’s educational services unit operations.

**CA Fund** – This fund accounts for the revenues and expenses pertaining to the District’s capital academy operations.

**Alternate Education Program Fund** – This fund accounts for the revenues and expenses pertaining to the District’s alternative education operations.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**Budgets/Budgetary Control**

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the 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.

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

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

**Encumbrances**

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivable or as unearned revenue at fiscal year-end.

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

**Cash and Cash Equivalents**

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

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

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 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.

**Tuition Payable/Receivable**

Tuition rates for the fiscal year end June 30, 2023 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**Inventories**

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

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method and half-year convention for first year, over the following estimated lives:

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated</u> <u>Lives</u>
Land Improvements	10 – 20 Years	N/A
Buildings and Improvements	10 – 50 Years	N/A
Furniture and Equipment	5 – 20 Years	5 – 12 Years
Vehicles	5 – 10 Years	4 – 6 Years

**Compensated Absences**

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

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

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Leases**

The District is a lessee for various equipment and building space. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right-to-use and an intangible right-to-use lease asset in the District-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

**Subscription-Based Information Technology Arrangements**

A Subscription-Based Information Technology Arrangement (SBITA) is a contract that conveys control of the right to use another party’s information technology (IT) software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. The District has subscribed into several short-term SBITAs lasting no more than one year. The District has elected to expense the subscription payments on a monthly basis as when they become due.

**Interfund Activity**

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

**Fund Balance**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Fund Balance (continued):**

- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

**Net Position**

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management does not expect this Statement to have a material impact on the District’s financial statements.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies (continued):**

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Deferred Loss on Refunding Debt**

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

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 2. Deposits and Investments**

**Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District’s bank balance of \$14,205,503 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 14,205,503
Uninsured and Uncollateralized	<u>                  -</u>
	<u>\$ 14,205,503</u>

**Investments**

The School District had no investments at June 30, 2023.

**Note 3. Reserve Accounts**

A capital reserve account was established by the School District by inclusion of \$500 on November 29, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the June 30, 2023 fiscal year is as follows:

Balance, June 30, 2022	\$ 3,716,518
Board Contribution	3,200,000
Interest Earned	<u>          21,540</u>
Balance, June 30, 2023	<u>\$ 6,937,058</u>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2023 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District’s governmental and business-type activities as of June 30, 2023, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>	<u>Total Governmental Activities</u>	<u>Proprietary Funds</u>			<u>Total Business-Type Activities</u>
	<u>General Fund</u>		<u>Food Service Fund</u>	<u>Educational Services Unit</u>	<u>Alternative Ed. Program</u>	
Federal Awards	\$ 122,005	122,005	16,072	-	-	\$ 16,072
State Awards	-	-	540	-	-	540
Other	<u>2,061,937</u>	<u>2,061,937</u>	<u>1,452</u>	<u>1,808,025</u>	<u>192,922</u>	<u>2,002,399</u>
Total	<u>\$2,183,942</u>	<u>2,183,942</u>	<u>18,064</u>	<u>1,808,025</u>	<u>192,922</u>	<u>\$2,019,011</u>

**Note 5. Capital Assets**

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

	Balance July 1, <u>2022</u>	Adjustments/ <u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2023</u>
<b><u>Governmental Activities:</u></b>				
Capital Assets Being Depreciated/Amortized:				
Land Improvements	\$ 1,995,418	79,055		\$ 2,074,473
Building and Improvements	5,355,208	1,555,208		6,910,416
Equipment	5,022,489	217,789	(35,300)	5,204,978
Right-to-Use-Assets	<u>192,419</u>			<u>192,419</u>
Total Capital Assets Being Depreciated/ Amortized	<u>12,565,534</u>	<u>1,852,052</u>	<u>(35,300)</u>	<u>14,382,286</u>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 5. Capital Assets (continued):**

	Balance July 1, <u>2022</u>	Adjustments/ <u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2023</u>
Less: Accumulated Depreciation/Amortization:				
Land Improvements	(1,472,801)	(101,747)		(1,574,548)
Building and Improvements	(1,850,587)	(264,972)		(2,115,559)
Equipment	(3,942,108)	(217,185)	20,180	(4,139,113)
Right-to-Use-Assets	<u>(77,029)</u>	<u>(44,834)</u>		<u>(121,863)</u>
Total Accumulated Depreciation/ Amortization	<u>(7,342,525)</u>	<u>(628,738)</u>	20,180	<u>(7,951,083)</u>
Net Capital Assets Being Depreciated/ Amortized	<u>5,223,009</u>	<u>1,223,314</u>	<u>(15,120)</u>	<u>6,431,203</u>
Total Capital Assets	<u>\$ 5,223,009</u>	<u>1,223,314</u>	<u>(15,120)</u>	<u>\$ 6,431,203</u>

	Balance July 1, <u>2022</u>	Adjustments/ <u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2023</u>
<b><u>Business-Type Activities:</u></b>				
Capital Assets Being Depreciated/Amortized:				
Machinery and Equipment	\$ 82,358			\$ 82,358
Right-to-Use-Assets	<u>3,007,533</u>			<u>3,007,533</u>
Total Capital Assets Being Depreciated/ Amortized	<u>3,089,891</u>			<u>3,089,891</u>
Less: Accumulated Depreciation/Amortization:				
Machinery and Equipment	(60,487)	(4,555)		(65,042)
Right-to-Use-Assets	<u>(1,653,307)</u>	<u>(300,753)</u>		<u>(1,954,060)</u>
Total Accumulated Depreciation/ Amortization	<u>(1,713,794)</u>	<u>(305,308)</u>		<u>(2,019,102)</u>
Net Capital Assets Being Depreciated/ Amortized	<u>1,376,097</u>	<u>(305,308)</u>		<u>(2,019,102)</u>
Total Capital Assets	<u>\$ 1,376,097</u>	<u>(305,308)</u>		<u>\$ 1,070,789</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,619,645	\$ -
Capital Academy		103,104
Food Service		250,000
Educational Services Unit Fund	<u>-</u>	<u>1,266,541</u>
	<u>\$ 1,619,645</u>	<u>\$1,619,645</u>

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

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 2,455,853
Educational Services Unit	<u>2,455,853</u>	<u>-</u>
	<u>\$ 2,455,853</u>	<u>\$ 2,455,853</u>

The purpose of the interfund transfers were for the funding of other funds operations and for payments made on behalf of other funds.

**Note 7. Leases**

Lease Liability: Right-to-Use Asset Agreements

The District has entered into right-of-use lease arrangements for copiers and a mailing machine with various terms and interest rates. The District is required to make monthly principal and interest payments. The District leases both the copiers and mailing machine under various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2026 with no renewal options.

The District leases a building for school facilities to accommodate the alternative education program with a ten (10) year term and an interest rate of 3.75%. This lease is under a long-term, noncancelable lease agreement. The lease expires in December 2026. In addition, the lease agreement provides for renewal options for up to five (5) additional, ten (10) year terms.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7. Leases (continued):**

The principal and interest costs for such leases for governmental funds were \$75,262 for the year ended June 30, 2023. Total future minimum lease payments under lease agreements are as follows:

	<u>Governmental Activities</u>		
Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 47,609	3,271	\$ 50,880
2025	23,821	541	24,362
2026	<u>3,832</u>	<u>47</u>	<u>3,879</u>
Total Minimum Lease Payment	<u>\$ 75,262</u>	<u>3,859</u>	<u>\$ 79,121</u>

The principal and interest costs for the lease of the business-type activities funds were \$1,179,092 for the year ended June 30, 2023. Total future minimum lease payments under lease agreements are as follows:

	<u>Business-Type Activities</u>		
Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 321,269	38,731	\$ 360,000
2025	333,525	26,475	360,000
2026	346,250	13,750	360,000
2027	<u>178,048</u>	<u>1,952</u>	<u>180,000</u>
Total Minimum Lease Payment	<u>\$1,179,092</u>	<u>80,908</u>	<u>\$ 1,260,000</u>

The lease agreements qualify as right-to-use-assets for accounting purposes and therefore, have been recorded at the present value of their future minimum lease payments as the date of their inception. The assets acquired through right-to-use asset lease agreements are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Right-to-Use-Assets:		
Building	\$ -	\$ 3,007,533
Equipment	192,419	-
Less: Accumulated Amortization	<u>(121,863)</u>	<u>(1,954,060)</u>
	<u>\$ 75,556</u>	<u>\$ 1,053,473</u>

**Note 8. Long-Term and Short-Term Obligations**

Long-Term

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations for the governmental and business-type activities:

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Long-Term and Short-Term Obligations (continued):**

	Balance <u>July 1, 2022</u>	Adjustment/ <u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2023</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
Compensated Absences	\$ 1,071,440	\$ -	\$ 56,039	\$ 1,015,401	\$ 23,717
Lease Payable	119,883	-	44,621	75,262	47,609
Net Pension Liability	15,511,527	3,061,600	-	18,573,127	1,596,225
	<u>\$ 16,702,850</u>	<u>\$ 3,061,600</u>	<u>\$ 100,660</u>	<u>\$ 15,150,864</u>	<u>\$ 1,667,551</u>

Compensated absences and net pension liability are liquidated by the general fund. The District elected to record \$1,596,225 as current liability from the reported liability of \$18,573,127 for its proportionate share of the net pension liability as measured as of June 30, 2023.

**Bonds Payable**

As of June 30, 2023, the District had no bonds payable outstanding.

**Bonds Authorized but not Issued**

As of June 30, 2023, the School District had no bonds authorized but not issued.

**Note 9. Pension Plans**

**A. Public Employees' Retirement System (PERS)**

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

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued):**

**B. Public Employees' Retirement System (PERS) (continued):**

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2023, the School District reported a liability of \$18,573,127 for its proportionate share of the PERS net pension liability. The District elected to report \$1,596,225 as a current pension liability out of the above amount. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was .123071126%, which was a decrease of 0.00787% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense of \$1,596,225 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 134,052	\$ 118,215
Changes of Assumptions	57,545	2,781,132
Net Difference between Projected and Actual Earnings on Pension Plan Investments	768,725	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	347,922	1,953,141
School District Contributions Subsequent to Measurement Date	<u>1,596,225</u>	<u>-</u>
	<u>\$ 2,904,469</u>	<u>\$ 4,852,488</u>

\$2,904,469 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Client Year Ending</b>		<b>Amount</b>
<b><u>June 30,</u></b>		
2023	\$	(1,593,184)
2024		(811,674)
2025		(395,838)
2026		863,568
2027		(1,897)
Thereafter		<u>-</u>
	\$	<u>(1,939,025)</u>

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by the employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 for the years 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

**Actuarial Assumptions** – The collective 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:



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

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

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market 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	<u>3.00%</u>	4.91%
	<u>100.00%</u>	

**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 and the non-employer contributing entity 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the Board of Education's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the District's proportionate share of the net pension liability as of June 30, 2022, 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:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
District's Proportionate Share of the Net Pension Liability	<u>\$ 23,861,028</u>	<u>\$ 18,573,127</u>	<u>\$ 14,072,911</u>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Additional Information**

Collective Balances at June 30, 2023 is as follows:

Deferred Outflows of Resources	\$	1,660,772,008
Deferred Inflows of Resources		3,236,303,935
Net Pension Liability		15,219,184,920

District's Portion of the Plan's Total Net Pension Liability 0.1230711260%

**B. Teachers' Pension and Annuity Fund (TPAF)**

**Plan Description** - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

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

The following represents the membership tiers for

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

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

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

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$80,248,936. The School District's proportionate share was \$-0-.

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, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1555380261%, which was a decrease of 0.00161% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2022, the School District recognized \$6,509,657 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

**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 actuarial assumptions, applied to all periods in the measurement:

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75% - 5.65%
	Based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, with future improvement from the base year 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 teachers above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market 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	5.00%	1.75%
Risk Mitigation Strategies	<u>3.00%</u>	4.91%
	<u>100.00%</u>	

**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 and the non-employer contributing entity 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the District	<u>94,093,583</u>	<u>80,248,936</u>	<u>68,586,561</u>
	<u>\$ 94,093,583</u>	<u>\$ 80,248,936</u>	<u>\$68,586,561</u>

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

**Additional Information**

The following is a summary of the collective balances of the local group at June 30, 2022:

Collective Deferred Outflows of Resources	\$ 4,996,491,160
Collective Deferred Inflows of Resources	\$ 19,532,696,776
Collective Net Pension Liability	\$ 51,594,415,806
School District's portion	0.1555380261%

**C. Defined Contribution Plan (DCRP)**

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Pension Plans (continued)**

**C. Defined Contribution Plan (DCRP) (continued)**

Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established “maximum compensation” limits;

- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2023 is \$9,000 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

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

For the year ended June 30, 2023, employee contributions totaled \$52,889 and the District recognized pension expense of \$38,276.

**Note 10. Other Post-Retirement Benefits**

**General Information about the OPEB 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 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 conservative methodology and each employer was allocated a proportional share of the pension plans’ net pension liability. The State’s share of the pension liability, based on a measurement date of June 30, 2021, which is required to be recorded 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 contribution. 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 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



## BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023

#### Note 10. Other Post-Retirement Benefits (continued)

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 GASB 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 \$10.6 billion liability recoded in Fiscal Year 2021. Additional information on Pensions and OPEWB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

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

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

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

The measurement date under GASB 75 is the date in which the discount rate, the balance sheet liabilities and income statement entries are reported. GASB 75 allows for the measurement date to be equal to any day in the fiscal year. The State of New Jersey has decided to choose the GASB 75 measurement date in the beginning of the fiscal year. The measurement date for the fiscal year ending June 30, 2023 GASB 75 valuation is June 30, 2022.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10. Other Post-Retirement Benefits (continued)**

**Total Non-employer 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 the NJ State ACFR on the Office of Management and Budget’s Financial Publications website: <http://www.nj.gov/treasury/omb/fr.shtml>.

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 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**Total Non-employer OPEB Liability** \$ 50,646,462,966

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	2.75 – 4.25%	2.75 – 6.55%	3.25 – 16.25%
	Based on years of Service	Based on years of service	Based on years of service

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS), and “Teacher” (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 periods July 1, 2018 – June 30, 2021.

**OPEB Obligation and OPEB Expense** - The State’s proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$110,535,360. The School District’s proportionate share was \$0.

**Health Care Trend Assumptions** – For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% 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 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For Medicare Part B reimbursement, the trend rate is 5.00%.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10. Other Post-Retirement Benefits (continued)**

**Discount Rate** – The discount rate for June 30, 2022 is 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.

District’s change in the Total OPEB liability reported by the State of New Jersey is as follows:

	<u>Total OPEB Liability</u>
Balance at 6/30/21 (Measurement Date)	\$ 131,670,587
Service Cost	6,146,598
Interest on the Total OPEB Liability	2,929,309
Changes of Benefit Terms	-
Differences between Expected and Actual Experience	2,249,451
Changes of Assumptions	(29,652,102)
Gross Benefit Payments	(2,901,567)
Contributions from Members	<u>93,084</u>
Net Changes	<u>(21,135,227)</u>
Balance at 6/30/22 (Measurement Date)	\$ <u>110,535,360</u>

There has been no change of benefit terms in the retirees’ share of health insurance premiums from 2021 to 2022.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District for school board retirees, as well as what the District’s total OPEB liability for school board would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate as of June 30, 2023:

	<u>1% Decrease (2.54%)</u>	<u>Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Total OPEB Liability (School Retirees)	\$ 129,922,688	\$ 110,535,360	\$ 94,997,386

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10. Other Post-Retirement Benefits (continued)**

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates as of June 30, 2023:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	\$ 91,364,231	\$ 110,535,360	\$ 135,717,802

**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 \$3,199,302 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Burlington County Special Services School District'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 employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Actual and Expected Experience	\$ 9,042,402,619	\$(15,462,950,679)
Changes of Assumptions or Inputs	<u>8,765,620,577</u>	<u>(17,237,289,230)</u>
Total	\$ <u>17,808,023,196</u>	\$ <u>(32,700,239,909)</u>

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

Year Ended June 30:

2023	\$ (549,366)
2024	(549,366)
2025	(549,366)
2026	(474,790)
2027	(271,491)
Thereafter	<u>(855,833)</u>
Total	\$ <u>(3,250,212)</u>

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 11. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$6,221,068, \$1,205,615, \$1,634,260 and \$3,006, respectively.

**Note 12. Risk Management**

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

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 192,238	\$ -	\$ 87,785	\$ 450,227
2021-2022	236,545	-	98,278	345,774
2020-2021	232,792	-	93,155	207,507

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

**Note 13. Contingencies**

**State and Federal Grantor Agencies** - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Litigation** – There was no pending lawsuits that will have a material adverse effect on the financial condition of the School District.

**Economic Dependency** – The School District receives a substantial amount of its support from the county government. A significant reduction in the level of support, if this were to occur, could have an effect on the School District’s programs and activities.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 14. Deferred Compensation**

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

AXA Equitable Life  
Lincoln Investment  
The Omni Group  
Vanguard  
TIAA

**Note 15. Compensated Absences**

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2023, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$1,015,401.

**Note 16. Commitments**

The School District has contractual commitments at June 30, 2023 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$1,493,637.

**Note 17. Fund Balances**

**General Fund** – Of the \$12,029,692 General Fund balance at June 30, 2023, \$6,937,058 has been restricted for the Capital Reserve Account; \$450,227 has been restricted for Unemployment Compensation; \$1,493,637 has been assigned for other purposes and \$3,148,770 has been unassigned.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$18,560,921 at June 30, 2023. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**Note 19. Tax Abatements**

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

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

**Note 20. Prior Year Adjustment**

GASB 87, *Leases*, was implemented during the fiscal year ended June 30, 2022. The requirements of this Statement improve financial reporting by increasing the usefulness of the District’s financial statements by requiring recognition of lease assets and liabilities for leases that previously were classified as capital and operating leases. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. These changes were incorporated in the District’s financial statements and had an effect on the beginning net position of the Business-Type Activities – Alternative Education Program. The ending balances as of June 30, 2022 were restated due to this implementation as follows:

	<u>Business-Type Activities- Alternative Education Program</u>
Net Position, June 30, 2022	\$ 651,502
Adjustments:	
Deferred Outflow of Resources	
Related to Leases	<u>134,328</u>
Net Position, June 30, 2022, Restated	<u>\$ 785,830</u>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 21. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and November 30, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items other than the below have come to the attention of the School District that would require disclosure.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**C. Budgetary Comparison Schedules**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Revenues:</b>						
<b>Local Sources:</b>						
County Appropriations	10-1210	\$ 5,000,000		5,000,000	5,000,000	\$ -
Tuition - LEAs	10-1310	25,910,660		25,910,660	28,650,380	2,739,720
Other Tuition	10-1320 - 1340	11,500,354		11,500,354	10,108,121	(1,392,233)
Nonresident Fees	10-1350	305,195		305,195	354,501	49,306
Interest Earned on Capital Reserves	10-1XXX	3,500		3,500	20,540	17,040
Other Restricted Miscellaneous Revenues					104,453	104,453
Unrestricted Miscellaneous Revenues	10-1XXX	100,439		100,439	728,379	627,940
<b>Total Local Sources</b>		<b>42,820,148</b>	<b>-</b>	<b>42,820,148</b>	<b>44,966,374</b>	<b>2,146,226</b>
<b>State Sources:</b>						
<b>Nonbudgeted:</b>						
On-Behalf TPAF Pension Contribution					6,221,068	6,221,068
On-Behalf TPAF Post-Retirement Medical Contribution					1,634,260	1,634,260
On-Behalf TPAF Long Term Disability Insurance Contribution					3,006	3,006
Reimbursed TPAF Social Security Contributions				-	1,205,615	1,205,615
<b>Total State Sources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>9,063,949</b>	<b>9,063,949</b>
<b>Federal Sources:</b>						
Special Education Aid - Medicaid Initiative	10-4200			-	294,587	294,587
<b>Total Federal Services</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>294,587</b>	<b>294,587</b>
<b>Total Revenues</b>		<b>42,820,148</b>	<b>-</b>	<b>42,820,148</b>	<b>54,324,910</b>	<b>11,504,762</b>
<b>Expenditures:</b>						
<b>Current Expense:</b>						
<b>Behavioral Disabilities:</b>						
Salaries of Teachers	11-209-100-101	1,973,540	(724,926)	1,248,614	1,248,614	-
Other Salaries for Instruction	11-209-100-106	462,278	68,802	531,080	531,080	-
Unused Sick Payment to Terminated/Retired Staff	11-209-100-299		18,503	18,503	18,503	-
Purchased Professional Education Services	11-209-100-320	115,652	(104,597)	11,055	11,055	-
Other Purchased Services	11-209-100-500	109,070	(48,215)	60,855	60,855	-
General Supplies	11-209-100-610	73,900	(50,872)	23,028	17,129	5,899
Textbooks	11-209-100-640	16,500	(9,505)	6,995	6,995	-
<b>Total Behavioral Disabilities</b>		<b>\$ 2,750,940</b>	<b>(850,810)</b>	<b>1,900,130</b>	<b>1,894,231</b>	<b>\$ 5,899</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Multiple Disabilities:</b>						
Salaries of Teachers	11-212-100-101	\$ 2,114,008	100,205	2,214,213	2,214,213	\$ -
Other Salaries for Instruction	11-212-100-106	1,747,346	(286,252)	1,461,094	1,461,094	-
Unused Sick Payment to Terminated/Retired Staff	11-212-100-299		1,015	1,015	1,015	-
Purchased Professional Education Services	11-212-100-320	237,048	(68,752)	168,296	168,296	-
Other Purchased Services	11-212-100-500	79,500	13,323	92,823	92,823	-
General Supplies	11-212-100-610	69,582	33,419	103,001	90,645	12,356
Textbooks	11-212-100-640	17,000	(1,403)	15,597	15,597	-
<b>Total Multiple Disabilities</b>		<b>4,264,484</b>	<b>(208,445)</b>	<b>4,056,039</b>	<b>4,043,683</b>	<b>12,356</b>
<b>Autism:</b>						
Salaries of Teachers	11-214-100-101	2,697,046	(557,255)	2,139,791	2,139,791	-
Other Salaries for Instruction	11-214-100-106	3,144,171	(365,342)	2,778,829	2,778,829	-
Unused Sick Payment to Terminated/Retired Staff	11-214-100-299		3,436	3,436	3,436	-
Purchased Professional Education Services	11-214-100-320	217,784	799,551	1,017,335	1,017,335	-
Other Purchased Services	11-214-100-500	23,100	(8,613)	14,487	14,487	-
General Supplies	11-214-100-610	57,050	46,124	103,174	86,554	16,620
Textbooks	11-214-100-640	4,500	(1,302)	3,198	3,198	-
<b>Total Autism</b>		<b>6,143,651</b>	<b>(83,401)</b>	<b>6,060,250</b>	<b>6,043,630</b>	<b>16,620</b>
<b>Preschool Disabilities -Full-Time:</b>						
Salaries of Teachers	11-216-100-101	248,744	80,062	328,806	328,806	-
Other Salaries for Instruction	11-216-100-106	91,030	163,211	254,241	254,241	-
Purchased Professional Education Services	11-216-100-320	10,084	(2,205)	7,879	7,879	-
Other Purchased Services	11-216-100-500	1,500	(1,000)	500	500	-
General Supplies	11-216-100-600	4,190	(47)	4,143	3,751	392
<b>Total Preschool Disabilities - Full-Time</b>		<b>355,548</b>	<b>240,021</b>	<b>595,569</b>	<b>595,177</b>	<b>392</b>
<b>Home Instruction:</b>						
Salaries of Teachers	11-219-100-101	5,250	7,450	12,700	12,700	-
<b>Total Home Instruction</b>		<b>5,250</b>	<b>7,450</b>	<b>12,700</b>	<b>12,700</b>	<b>-</b>
<b>Extended School Year:</b>						
Salaries of Teachers	11-221-100-101	450,648	106,802	557,450	557,450	-
Other Salaries for Instruction	11-221-100-106	290,253	(16,434)	273,819	273,819	-
Purchased Professional Education Services	11-221-100-320	45,000	30,624	75,624	75,624	-
<b>Total Extended School Year</b>		<b>785,901</b>	<b>120,992</b>	<b>906,893</b>	<b>906,893</b>	<b>-</b>
<b>Cognitive Severe:</b>						
Salaries of Teachers	11-222-100-101	336,503	(11,865)	324,638	324,638	-
Other Salaries for Instruction	11-222-100-106	269,482	33,496	302,978	302,978	-
Purchased Professional Education Services	11-222-100-320	41,613	(15,178)	26,435	26,435	-
Other Purchased Services	11-222-100-500	1,600	(1,100)	500	500	-
General Supplies	11-222-100-610	5,150	2,239	7,389	5,936	1,453
<b>Total Cognitive-Severe</b>		<b>654,348</b>	<b>7,592</b>	<b>661,940</b>	<b>660,487</b>	<b>1,453</b>
<b>Total Special Education - Instruction</b>		<b>\$ 14,960,122</b>	<b>(766,601)</b>	<b>14,193,521</b>	<b>14,156,801</b>	<b>\$ 36,720</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>School Sponsored Cocurricular Activities:</b>						
Salaries (Stipends)	11-401-100-100	\$ 209,067	24,550	233,617	233,617	\$ -
Other Purchased Services	11-401-100-500	4,000	(1,285)	2,715	2,715	-
Supplies and Materials	11-401-100-600	7,000	(6,665)	335	335	-
<b>Total School Sponsored Cocurricular Activities</b>		<b>220,067</b>	<b>16,600</b>	<b>236,667</b>	<b>236,667</b>	<b>-</b>
<b>Community Services:</b>						
Salaries	11-800-330-100	8,000	(8,000)	-	-	-
Supplies and Materials	11-800-330-600	500	(500)	-	-	-
<b>Total Community Services</b>		<b>8,500</b>	<b>(8,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Instruction</b>		<b>15,188,689</b>	<b>(758,501)</b>	<b>14,430,188</b>	<b>14,393,468</b>	<b>36,720</b>
<b>Undistributed Expenditures:</b>						
<b>Health Services:</b>						
Salaries	11-000-213-100	521,627	5,974	527,601	527,601	-
Purchased Professional & Technical Services	11-000-213-300	32,720	17,994	50,714	50,714	-
Other Purchased Services	11-000-213-500	6,100	(6,100)	-	-	-
Supplies and Materials	11-000-213-600	19,000	2,650	21,650	21,650	-
<b>Total Health Services</b>		<b>579,447</b>	<b>20,518</b>	<b>599,965</b>	<b>599,965</b>	<b>-</b>
<b>Other Related Services:</b>						
Salaries	11-000-216-100	2,859,473	(180,496)	2,678,977	2,678,977	-
Unused Sick Payment to Terminated/Retired Staff	11-000-216-299		659	659	659	-
Purchased Professional Education Services	11-000-216-320	129,382	305,327	434,709	434,709	-
Repair services	11-000-216-420	2,000	(2,000)			-
Supplies and Materials	11-000-216-600	15,600	118,571	134,171	119,915	14,256
<b>Total Other Related Services</b>		<b>3,006,455</b>	<b>242,061</b>	<b>3,248,516</b>	<b>3,234,260</b>	<b>14,256</b>
<b>Child Study Teams:</b>						
Salaries of Other Professional Staff	11-000-219-104	67,202	1,209	68,411	68,411	-
Salaries of Secretarial & Clerical Assistants	11-000-219-105	260,519	(30,666)	229,853	229,853	-
Other Salaries	11-000-219-110	1,193,428	(138,168)	1,055,260	1,055,260	-
Unused Vacation Payment to Terminated	11-000-219-199		4,641	4,641	4,641	-
Purchased Ed Services	11-000-219-320	440,764	(435,429)	5,335	5,335	-
Purchased Technical Services	11-000-219-390	19,000	(2,350)	16,650	16,650	-
Other Purchased Services	11-000-219-500	5,800	(3,256)	2,544	2,544	-
Supplies & Materials	11-000-219-600	10,000	17,521	27,521	27,521	-
Other Objects	11-000-219-800	2,655	(2,576)	79	79	-
<b>Total Child Study Teams</b>		<b>1,999,368</b>	<b>(589,074)</b>	<b>1,410,294</b>	<b>1,410,294</b>	<b>-</b>
<b>Improvement of Instruction Services/Other Support Services - Instruction Staff:</b>						
Salaries of Supervisors of Instruction	11-000-221-102	\$ 90,758	77,790	168,548	168,548	\$ -

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Salaries of Other Professional Staff	11-000-221-104	\$ 875	52,874	53,749	53,749	\$ -
Salaries of Secretarial & Clerical Assistants	11-000-221-105	26,397	77,067	103,464	103,464	-
Salaries of Facilitators, Math & Literacy Coaches	11-000-221-176	88,509		88,509	88,509	-
Purchased Professional Education Services	11-000-221-320	103,149	(47,546)	55,603	55,603	-
Other Purchased Services	11-000-221-500	36,156	(2,184)	33,972	33,972	-
Supplies and Materials	11-000-221-600	6,500	(1,122)	5,378	5,378	-
Other Objects	11-000-221-800	3,414	2,920	6,334	6,334	-
<b>Total Improvement of Instruction Services/Other Support Services Instructional Staff</b>		<b>355,758</b>	<b>159,799</b>	<b>515,557</b>	<b>515,557</b>	<b>-</b>
<b>Instructional Staff Training Services:</b>						
Salaries of Other Professional Staff	11-000-223-104		3,961	3,961	3,961	-
Other Purchased Services	11-000-223-500	19,321	23,695	43,016	43,016	-
Supplies and Materials	11-000-223-600	9,180	(8,865)	315	315	-
<b>Total Instructional Staff Training Services</b>		<b>28,501</b>	<b>18,791</b>	<b>47,292</b>	<b>47,292</b>	<b>-</b>
<b>Support Services General Administration:</b>						
Salaries	11-000-230-100	7,197		7,197	7,197	-
Legal Services	11-000-230-331	281,000	25,088	306,088	306,088	-
Audit Fees	11-000-230-332	61,050	(4,090)	56,960	56,960	-
Other Purchased Professional Services	11-000-230-339	157,071	(3,960)	153,111	149,811	3,300
Communications/Telephone	11-000-230-530	181,327	(6,144)	175,183	175,183	-
BOE Other Purchased Services	11-000-230-585	3,700	1,447	5,147	5,147	-
Supplies and Materials	11-000-230-610	4,000	(2,838)	1,162	1,162	-
Miscellaneous Expenditures	11-000-230-890	24,000	(12,930)	11,070	11,070	-
BOE Membership Dues and Fees	11-000-230-895	11,376	(223)	11,153	11,153	-
<b>Total Support Services General Administration</b>		<b>730,721</b>	<b>(3,650)</b>	<b>727,071</b>	<b>723,771</b>	<b>3,300</b>
<b>Support Services School Administration:</b>						
Salaries of Principals & Assistant Principals	11-000-240-103	625,788	(218,600)	407,188	407,188	-
Salaries of Secretarial & Clerical Assistants	11-000-240-105	296,856	(46,971)	249,885	249,885	-
Unused Vacation Payment to Terminated/Unused	11-000-240-199		15,489	15,489	15,489	-
Purchased Professional Services	11-000-240-300	25,000	70,719	95,719	95,719	-
Other Purchased Services	11-000-240-500	2,800	(430)	2,370	2,370	-
Supplies and Materials	11-000-240-600	15,205	(7,425)	7,780	7,693	87
Other Objects	11-000-240-800	8,945	(2,400)	6,545	6,545	-
<b>Total Support Services School Administration</b>		<b>974,594</b>	<b>(189,618)</b>	<b>784,976</b>	<b>784,889</b>	<b>87</b>
<b>Support Services Central Services</b>						
Salaries	11-000-251-100	356,145	(119,063)	237,082	237,082	-
Unused Vacation Payment	11-000-251-199		5,041	5,041	5,041	-
Purchased Professional Services	11-000-251-330	316,668	124,556	441,224	441,224	-
Miscellaneous Purchased Services	11-000-251-592	\$ 43,500	(10,340)	33,160	33,160	\$ -

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
General Supplies	11-000-251-600	\$ 11,000	(6,385)	4,615	4,615	\$ -
Miscellaneous Expenditures	11-000-251-890	4,000	(2,486)	1,514	1,514	-
Shared Service Agreement - County Board of Freeholders	11-000-251-897	702,478	401,352	1,103,830	1,103,830	-
<b>Total Support Services Central Services</b>		<b>1,433,791</b>	<b>392,675</b>	<b>1,826,466</b>	<b>1,826,466</b>	<b>-</b>
Support Services Administrative Information Technology:						
Salaries	11-000-252-100	218,862		218,862	218,862	-
Other Purchased Professional Services	11-000-252-330	145,040	14,202	159,242	159,242	-
Supplies and Materials	11-000-252-600	102,608	(4,873)	97,735	97,735	-
Other Objects	11-000-252-800	2,000	(1,183)	817	817	-
<b>Total Support Services Administrative Information Technology</b>		<b>468,510</b>	<b>8,146</b>	<b>476,656</b>	<b>476,656</b>	<b>-</b>
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	318,836	(5,078)	313,758	313,758	-
Unused Vacation Payment	11-000-261-199		12,314	12,314	12,314	-
Other Purchased Professional Services	11-000-261-330	65,000	(2,208)	62,792	62,792	-
Cleaning, Repair & Maintenance Services	11-000-261-420	230,924	194,269	425,193	348,419	76,774
General Supplies	11-000-261-610	130,783	48,567	179,350	177,513	1,837
Other Objects	11-000-261-800	3,000	583	3,583	3,583	-
<b>Total Required Maintenance for School Facilities</b>		<b>748,543</b>	<b>248,447</b>	<b>996,990</b>	<b>918,379</b>	<b>78,611</b>
Custodial Services of Plant:						
Salaries	11-000-262-100	1,005,104	(79,755)	925,349	925,349	-
Purchased Professional & Technical Services	11-000-262-300	29,701	(17,010)	12,691	12,691	-
Cleaning, Repair & Maintenance Services	11-000-262-420	46,537	(23,936)	22,601	18,745	3,856
Other Purchased Property Services	11-000-262-490	93,744	(20,633)	73,111	73,111	-
Insurance	11-000-262-520	322,590	160,827	483,417	483,417	-
General Supplies	11-000-262-610	120,196	(9,949)	110,247	110,247	-
Energy (Natural Gas)	11-000-262-621	156,899	(65,967)	90,932	90,932	-
Energy (Electricity)	11-000-262-622	538,752	16,012	554,764	554,764	-
Other Objects	11-000-262-800	2,500	(2,100)	400	400	-
<b>Total Custodial Services of Plant</b>		<b>2,316,023</b>	<b>(42,511)</b>	<b>2,273,512</b>	<b>2,269,656</b>	<b>3,856</b>
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	7,500	(7,500)	-	-	-
General Supplies	11-000-263-610	13,893	25,625	39,518	39,518	-
<b>Total Care &amp; Upkeep of Grounds</b>		<b>21,393</b>	<b>18,125</b>	<b>39,518</b>	<b>39,518</b>	<b>-</b>
<b>Total Operation &amp; Maintenance of Plant Services &amp; Allowable Maintenance for School Facilities</b>		<b>3,085,959</b>	<b>224,061</b>	<b>3,310,020</b>	<b>3,227,553</b>	<b>82,467</b>
Security Services:						
Other Purchased Professional Services	11-000-266-330	173,653	(25,000)	148,653	148,653	-
Other Purchased Services	11-000-266-390	273,555	85,678	359,233	359,233	-
General Supplies	11-000-266-600	22,000	2,332	24,332	24,332	-
<b>Total Security Services</b>		<b>\$ 469,208</b>	<b>63,010</b>	<b>532,218</b>	<b>532,218</b>	<b>\$ -</b>



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Student Transportation Services:</b>						
Salaries for Pupil Transportation (Between Home & School) Nonpublic	11-000-270-163	\$ 120,109	25,243	145,352	145,352	\$ -
Cleaning, Repair & Maintenance Services	11-000-270-420	57,824	14,833	72,657	72,657	-
<b>Total Student Transportation Services</b>		<b>177,933</b>	<b>40,076</b>	<b>218,009</b>	<b>218,009</b>	<b>-</b>
<b>Unallocated Benefits Employee Benefits:</b>						
Social Security Contributions	11-000-291-220	1,128,552	(64,047)	1,064,505	1,064,505	-
Other Retirement Contributions - Regular	11-000-291-241	1,721,998	(114,946)	1,607,052	1,607,052	-
Unemployment Compensation	11-000-291-250	55,000	21,102	76,102	76,102	-
Workmen's Compensation	11-000-291-260	1,188,869	(686,326)	502,543	502,543	-
Health Benefits	11-000-291-270	8,309,492	(1,140,833)	7,168,659	7,168,659	-
Tuition Reimbursement	11-000-291-280	75,000	(14,692)	60,308	60,308	-
Other Employee Benefits	11-000-291-290	400,000	(21,167)	378,833	378,833	-
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>12,878,911</b>	<b>(2,020,909)</b>	<b>10,858,002</b>	<b>10,858,002</b>	<b>-</b>
<b>Nonbudgeted:</b>						
Reimbursed TPAF Pension Contributions					6,221,068	(6,221,068)
On-Behalf TPAF Post-Retirement Medical Contribution					1,634,260	(1,634,260)
On-Behalf TPAF Long Term Disability Insurance Contribution					3,006	(3,006)
Reimbursed TPAF Social Security Contributions					1,205,615	(1,205,615)
<b>Total Undistributed Expenditures</b>		<b>26,189,156</b>	<b>(1,634,114)</b>	<b>24,555,042</b>	<b>33,518,881</b>	<b>(8,963,839)</b>
<b>Total Expenditures - Current Expense</b>		<b>41,377,845</b>	<b>(2,392,615)</b>	<b>38,985,230</b>	<b>47,912,349</b>	<b>(8,927,119)</b>
<b>Capital Outlay:</b>						
<b>Equipment:</b>						
Equipment	12-212-100-731	32,500	(3,306)	29,194	29,194	-
Autism	12-214-100-731	5,300	5,236	10,536	10,536	-
<b>Undistributed Expenditures:</b>						
Support Services - Related Services	12-000-219-730	15,000	50,188	65,188	56,048	9,140
Central Services	12-000-251-730		2,299	2,299	2,299	-
Admin. - Info Tech	12-000-252-730	11,000	28,094	39,094	39,094	-
Required Maint for School Facilities	12-000-261-730	12,000	32,635	44,635	44,635	-
Custodial Services	12-000-262-730	42,000	(36,912)	5,088	5,088	-
Security	12-000-266-730	6,000	379	6,379	6,379	-
Non-Instructional Services	12-000-300-730		462,300	462,300	4,760	457,540
<b>Total Equipment</b>		<b>123,800</b>	<b>540,913</b>	<b>664,713</b>	<b>198,033</b>	<b>466,680</b>
<b>Facilities Acquisition &amp; Construction Services:</b>						
Architectural/Engineering Services	12-000-400-330	232,141	(174,361)	57,780	45,028	12,752
Construction Services	12-000-400-450	857,862	1,206,860	2,064,722	1,199,807	864,915
Land and Improvements	12-000-400-710		100,910	100,910	88,450	-
Interest on Capital Reserve	12-000-400-931	3,500	(3,500)	-	-	-
<b>Total Facilities Acquisition &amp; Construction Services</b>		<b>1,093,503</b>	<b>1,129,909</b>	<b>2,223,412</b>	<b>1,333,285</b>	<b>877,667</b>
<b>Total Capital Outlay</b>		<b>1,217,303</b>	<b>1,670,822</b>	<b>2,888,125</b>	<b>1,531,318</b>	<b>1,344,347</b>
<b>Total Expenditures</b>		<b>\$ 42,595,148</b>	<b>(721,793)</b>	<b>41,873,355</b>	<b>49,443,667</b>	<b>\$ (7,582,772)</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)	\$ 225,000	721,793	946,793	4,881,243	\$ 3,921,990
Other Financing Sources/(Uses): Board Contribution to Enterprise Funds	(225,000)	(874,033)	(1,099,033)	(837,137)	(261,896)
Total Other Financing Sources/(Uses)	(225,000)	(874,033)	(1,099,033)	(837,137)	(261,896)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)	-	(152,240)	(152,240)	4,044,106	4,183,886
Fund Balances, July 1	7,985,586		7,985,586	7,985,586	
Fund Balances, June 30	\$ 7,985,586	(152,240)	7,833,346	12,029,692	\$ 4,183,886

**RECAPITULATION OF BUDGET TRANSFERS:**

Prior Year Reserve for Encumbrances	<u>\$ 152,240</u>
Total Budget Transfers	<u>\$ 152,240</u>

**RECAPITULATION OF FUND BALANCE:**

<b>Restricted Fund Balance:</b>	
Capital Reserve	\$ 6,937,058
Unemployment Compensation	450,227
<b>Assigned Fund Balance:</b>	
Year-end Encumbrances	1,493,637
<b>Unrestricted Fund Balance</b>	<u>3,148,770</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 12,029,692</u>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	2023			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:					
Federal Sources	\$ -	312,695	312,695	312,695	\$ -
State Sources		12,700	12,700	12,700	
Local Sources				57,247	57,247
<b>Total Revenues</b>	<b>-</b>	<b>325,395</b>	<b>325,395</b>	<b>382,642</b>	<b>57,247</b>
Expenditures:					
Instruction:					
Salaries of Teachers		-	-	-	-
General Supplies		-	-	-	-
Other Objects		-	-	-	-
<b>Total Instruction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Support Services:					
Other Salaries		-	-	-	-
Supplies & Materials		-	-	-	-
Student Activities				71,205	(71,205)
<b>Total Support Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,205</b>	<b>(71,205)</b>
Capital Outlay:					
Undist. Expend. - Required Maint for School Facilities		325,395	325,395	325,395	-
<b>Total Equipment</b>	<b>-</b>	<b>325,395</b>	<b>325,395</b>	<b>325,395</b>	
<b>Total Expenditures</b>	<b>-</b>	<b>325,395</b>	<b>325,395</b>	<b>396,600</b>	<b>(71,205)</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	-	-	(13,958)	\$ (13,958)
Fund Balance, July 1				157,607	
Fund Balance, June 30				\$ 143,649	
Recapitulaton:					
Restricted:					
Student Activities				\$ 143,649	

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION - PART II  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND N-1	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" From the Budgetary Comparison Schedule (C-Series)	\$54,324,910	382,642
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$54,324,910	382,642
	<hr/> <hr/>	<hr/> <hr/>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	\$49,443,667	382,642
	<hr/>	<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$49,443,667	396,600
	<hr/> <hr/>	<hr/> <hr/>

N-1 The General Fund Budget Uses GAAP Basis Therefore no Reconciliation is Necessary.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)**

**EXHIBIT L-1**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY - PERS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability (Asset)	0.122%	0.130%	0.131%	0.137%	0.131%	0.133%	0.131%	0.124%	0.157%	0.152%
District's Proportionate Share of the Net Pension Liability (Asset)	18,573,127	15,511,527	21,591,615	24,872,425	25,876,885	30,848,179	38,868,976	27,900,284	29,362,481	28,971,793
District's covered employee payroll	9,033,505	9,025,045	9,275,121	9,241,905	9,493,091	8,854,950	8,924,012	8,739,799	8,630,576	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	40.71%

**EXHIBIT L-2**

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - PERS  
SCHEDULE OF CONTRIBUTIONS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 1,551,986	\$ 1,533,432	\$ 1,448,432	\$ 1,342,714	1,307,252	1,227,642	1,165,901	1,068,548	1,292,867	1,142,197
Contributions in relation to the Actuarially Determined Contributions	1,551,986	1,533,432	1,448,432	1,342,714	1,307,252	1,227,642	1,165,901	1,068,548	1,292,867	1,142,197
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-Employee Payroll	\$ 9,033,505	\$ 9,025,045	9,275,121	9,241,905	9,493,091	8,854,950	8,924,012	8,739,799	8,630,576	N/A
Contributions as a Percentage of Covered - Employee Payroll	17.18%	16.99%	15.62%	14.53%	13.77%	13.86%	13.06%	12.23%	14.98%	N/A

**EXHIBIT L-3**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY - TPAF**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
State's Proportion of the Net Pension Liability (Asset) Associated with the District	0.1156%	0.157%	0.164%	0.165%	0.166%	0.166%	0.170%	0.188%	0.197%	0.202%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	80,248,936	75,549,801	108,219,818	101,348,256	105,771,841	112,024,644	133,368,066	118,725,848	106,005,793	102,843,366
Total	80,248,936	75,549,801	108,219,818	101,348,256	105,771,841	112,024,644	133,368,066	118,725,848	106,005,793	102,843,366
Covered-Employee Payroll	16,861,834	16,803,659	17,140,504	16,959,283	17,560,302	16,954,481	16,624,194	16,770,812	16,917,862	N/A
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position as a Percentage of the Total Pension	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%



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**M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S CHANGES IN THE NET OPEB LIABILITY  
AND RELATED RATIOS \***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service Cost	\$ 6,146,598	7,609,358	4,283,010	4,155,239	4,478,477	\$ 5,393,350
Interest Cost	2,929,309	3,415,674	3,374,995	4,129,252	4,415,212	3,803,066
Change in Benefit Terms		(140,147)				
Difference Between Expected and Actual Experiences	2,249,451	(28,336,099)	25,391,098	(17,402,622)	(10,544,561)	
Changes of Assumptions	(29,652,102)	129,903	27,691,228	1,392,810	(11,925,552)	(15,712,915)
Contributions: Members	93,084	87,322	79,992	85,002	96,041	102,501
Gross Benefit Payments	<u>(2,901,567)</u>	<u>(2,690,594)</u>	<u>(2,639,147)</u>	<u>(2,867,531)</u>	<u>(2,778,833)</u>	<u>(2,783,648)</u>
Net Change in Total OPEB Liability	(21,135,227)	(19,924,583)	58,181,176	(10,507,850)	(16,259,216)	(9,197,646)
Total OPEB Liability (Beginning)	<u>131,670,587</u>	<u>151,595,170</u>	<u>93,413,994</u>	<u>103,921,844</u>	<u>120,181,060</u>	<u>129,378,706</u>
Total OPEB Liability (Ending)	<u>\$ 110,535,360</u>	<u>131,670,587</u>	<u>151,595,170</u>	<u>93,413,994</u>	<u>103,921,844</u>	<u>\$ 120,181,060</u>
<b>Plan Fiduciary Net Position</b>						
Covered Employee Payroll	\$26,234,842	\$26,300,287	\$23,679,696	\$26,286,122	\$27,053,393	\$25,809,431
Net OPEB Liability as a Percentage of Payroll	421%	501%	640%	355%	384%	466%

Source Documents:

All data for the measurement period was provided by the State of New Jersey Department of the Treasury other than covered employee payroll.

\* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2023**

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

**Changes in Benefit Terms - None**

**Changes in Assumptions – None**

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

**Changes in Benefit Terms - None**

**Changes in Assumptions - None**

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefit Terms - None**

**Changes in Assumptions -** The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

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**OTHER SUPPLEMENTARY INFORMATION**



**D. School Based Budget Schedules**

**Not Applicable**

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**E. Special Revenue Fund**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ARP ESSER	SDA EMERGENT NEEDS & CAPITAL MAINTENANCE	STUDENT ACTIVITIES	TOTAL
Revenues:				
Federal Sources	\$ 312,695			\$ 312,695
State Sources		12,700		12,700
Local Sources			57,247	57,247
Total Revenues	<u>312,695</u>	<u>12,700</u>	<u>57,247</u>	<u>382,642</u>
Expenditures:				
Instruction:				
Salaries of Teachers				-
Total Instruction	<u>-</u>		<u>-</u>	<u>-</u>
Support Services:				
Supplies & Materials				-
Student Activities			71,205	71,205
Total Support Services	<u>-</u>		<u>71,205</u>	<u>71,205</u>
Capital Outlay:				
Undist. Expend. - Required Maint for School Facilities	312,695	12,700		325,395
Total Equipment	<u>312,695</u>	<u>12,700</u>	<u>-</u>	<u>325,395</u>
Total Expenditures	<u>312,695</u>	<u>12,700</u>	<u>71,205</u>	<u>396,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(13,958)</u>	<u>(13,958)</u>
Fund Balance, July 1	<u>-</u>		<u>157,607</u>	<u>157,607</u>
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>143,649</u>	<u>\$ 143,649</u>

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**F. Capital Projects Fund**

**Not Applicable**

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## **G. Proprietary Funds**



**Enterprise Funds**

**(See Exhibits B-4 through B-6)**

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**Internal Service Fund**

**Not Applicable**

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**H. Fiduciary Fund**

**Not Applicable**

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## **I. Long-Term Debt**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER LEASES  
JUNE 30, 2023**

PURPOSE	DATE OF LEASE	TERM OF LEASE	PRINCIPAL	INTEREST RATE	BALANCE JUNE 30, 2022	ISSUED	RETIRED CURRENT YEAR	BALANCE JUNE 30, 2023
Xerox Copier	12/4/20	4 Years	152,832	7.000%	\$ 96,816		38,092	\$ 58,724
Xerox Copier	10/25/19	5 Years	6,239	4.750%	2,979		1,285	1,694
Mailing Machine	1/1/17	10 Years	3,007,533	3.750%	20,088		5,244	14,844
Total					\$ 119,883	-	44,621	\$ 75,262



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**STATISTICAL SECTION (Unaudited)**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 6,431,203	5,223,009	5,336,618	7,617,454	8,130,985	8,176,709	8,420,747	6,454,702	3,771,907	3,540,684
Restricted	7,530,934	4,219,899	1,884,009	1,514,905	1,512,950	1,510,108	1,510,108	1,643,124	3,939,610	1,508,343
Unrestricted	(18,560,921)	(22,619,350)	(26,433,899)	(28,666,454)	(29,903,511)	(27,860,329)	(28,422,646)	(27,189,009)	(26,151,370)	2,469,985
<b>Total Governmental Activities</b>	<b>(4,598,784)</b>	<b>(13,176,442)</b>	<b>(19,215,272)</b>	<b>(19,534,095)</b>	<b>(20,259,576)</b>	<b>(18,173,512)</b>	<b>(18,491,791)</b>	<b>(19,091,183)</b>	<b>(18,439,853)</b>	<b>7,519,012</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	1,070,789	1,376,097	26,567	210,832	231,725	267,662	278,525	366,020	266,805	102,292
Unrestricted	927,193	618,739	630,306	9,708	364,568	665,283	144,091	(649,070)	422,413	1,566,914
<b>Total Business-Type Activities</b>	<b>1,997,982</b>	<b>1,994,836</b>	<b>656,873</b>	<b>220,540</b>	<b>596,293</b>	<b>932,945</b>	<b>422,616</b>	<b>(283,050)</b>	<b>689,218</b>	<b>1,669,206</b>
<b>District-Wide:</b>										
Net Investment in Capital Assets	7,501,992	6,599,106	5,363,185	7,828,286	8,362,710	8,444,371	8,699,272	6,820,722	4,038,712	3,642,976
Restricted	7,530,934	4,219,899	1,884,009	1,514,905	1,512,950	1,510,108	1,510,108	1,643,124	3,939,610	1,508,343
Unrestricted	(17,633,728)	(22,000,611)	(25,803,593)	(28,656,746)	(29,538,943)	(27,195,046)	(28,278,555)	(27,838,079)	(25,728,957)	4,036,899
<b>Total District Net Position</b>	<b>\$ (2,600,802)</b>	<b>(11,181,606)</b>	<b>(18,558,399)</b>	<b>(19,313,555)</b>	<b>(19,663,283)</b>	<b>(17,240,567)</b>	<b>(18,069,175)</b>	<b>(19,374,233)</b>	<b>(17,750,635)</b>	<b>9,188,218</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
CHANGES IN NET ASSETS - (ACCURAL BASIS OF ACCOUNTING)  
LAST FOUR FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30.										
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Special Education	\$ 14,156,801	13,901,286	13,714,043	14,075,550	15,173,559	14,897,265	14,872,414	14,952,342	15,200,512	15,424,094
Other Special Instruction	236,667	274,724	197,630	164,051	207,678	223,372	327,741	264,662	111,882	109,620
Support Services:										
Student & Instruction Related Services	5,878,573	5,462,978	5,312,417	4,646,805	4,920,766	4,923,072	4,835,812	4,742,066	4,765,408	4,790,637
School Administrative Services	723,771	776,255	681,659	616,315	623,969	581,674	659,370	571,932	539,302	683,097
General & Business Administrative Services	3,088,011	4,066,151	4,229,623	4,167,346	3,147,494	3,435,815	3,243,060	2,984,042	2,813,961	2,718,655
Plant Operations & Maintenance	3,759,771	3,600,920	3,196,499	3,396,983	3,982,750	3,428,118	3,500,366	3,221,994	2,957,405	3,584,535
Pupil Transportation	218,009	138,347	242,268	235,313	263,281	238,717	244,846	303,019	545,275	338,084
Unallocated Benefits	7,586,567	6,532,017	10,627,428	11,571,895	16,751,367	27,700,920	15,790,640	18,284,937	17,093,711	12,690,642
On Behalf TPAF Pension & Social Security Contributions	9,063,949	9,223,635	7,325,008	6,262,149	7,369,527			77,177		
Nonbondable Capital Assets	-	-	1,949,747					183	(57,160)	(76,306)
Increase in Compensated Absences	-	-	580,414	838,252	875,283	875,283	503,314	481,067	235,561	206,906
Unallocated Depreciation	608,558	606,093						965,429		
Adjustment to Fixed Assets										
<b>Total Governmental Activities Expenses</b>	<b>45,320,677</b>	<b>44,602,406</b>	<b>48,056,736</b>	<b>46,029,571</b>	<b>53,315,674</b>	<b>56,304,236</b>	<b>43,977,563</b>	<b>46,848,850</b>	<b>44,205,857</b>	<b>40,469,964</b>
<b>Business-Type Activities:</b>										
Food Service	944,809	920,057	668,208	966,663	1,135,590	1,143,586	1,218,879	1,182,337	1,333,438	891,283
School Store	4,272	120	6,228	5,969	5,908	10,590	6,785	719	2,261	70,890
Educational Services	10,298,590	10,275,497	10,369,677	10,109,807	14,906,734	14,292,026	14,195,018	14,489,923	14,562,395	14,044,658
Capital Academy	839,162	320,422	516,060	531,471	623,541	747,543	741,259	719,514	1,228,805	1,358,967
Alternative Education Program	2,092,865	2,051,284	2,232,916	2,401,857	2,352,384	2,234,679	2,101,991	1,861,438	1,486,578	
<b>Total Business-Type Activities Expense</b>	<b>14,179,698</b>	<b>13,567,380</b>	<b>13,793,089</b>	<b>14,015,767</b>	<b>19,024,157</b>	<b>18,428,424</b>	<b>18,263,932</b>	<b>18,253,931</b>	<b>18,613,477</b>	<b>16,365,798</b>
<b>Total District Expenses</b>	<b>\$ 59,500,375</b>	<b>58,169,786</b>	<b>61,849,825</b>	<b>60,045,338</b>	<b>72,339,831</b>	<b>74,732,660</b>	<b>62,241,495</b>	<b>65,102,781</b>	<b>62,819,334</b>	<b>56,835,762</b>
<b>Program Revenues:</b>										
Operating Grants & Contributions	\$ 9,135,154	9,272,507	7,357,102	6,262,149	12,279,370	16,509,251	4,596,870	8,402,593	8,483,196	2,064,871
<b>Total Governmental Activities Program Revenues</b>	<b>9,135,154</b>	<b>9,272,507</b>	<b>7,357,102</b>	<b>6,262,149</b>	<b>12,279,370</b>	<b>16,509,251</b>	<b>4,596,870</b>	<b>8,402,593</b>	<b>8,483,196</b>	<b>2,064,871</b>
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	156,019	45,008	38,873	160,800	261,686	228,126	264,500	343,349	344,611	253,398
School Store	-	145	155	921	1,551	1,786	1,971	3,330	7,349	10,714
Educational Services	10,253,166	9,900,904	9,393,647	8,527,429	14,539,216	14,209,994	14,242,084	13,711,461	13,835,792	12,935,366
Capital Academy	839,162	320,422	516,060	531,471	623,541	747,543	741,259	709,342	1,259,753	1,391,735
Alternative Education Program	1,590,041	1,751,671	1,748,130	2,329,272	2,195,193	2,198,909	1,898,774	1,576,456	1,310,976	
Operating Grants & Contributions	372,991	550,977	302,048	272,456	337,968	323,066	334,631	318,238	326,731	314,987
<b>Total Business Type Activities Program Revenues</b>	<b>13,211,379</b>	<b>12,569,127</b>	<b>11,998,913</b>	<b>11,822,349</b>	<b>17,959,155</b>	<b>17,709,424</b>	<b>17,483,219</b>	<b>16,662,176</b>	<b>17,085,212</b>	<b>14,906,200</b>
<b>Total District Program Revenues</b>	<b>\$22,346,533</b>	<b>21,841,634</b>	<b>19,356,015</b>	<b>18,084,498</b>	<b>30,238,525</b>	<b>34,218,675</b>	<b>22,080,089</b>	<b>25,064,769</b>	<b>25,568,408</b>	<b>16,971,071</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)  
LAST FOUR FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30.										
Net (Expense)/Revenue:										
Governmental Activities	\$ (36,185,523)	(35,329,899)	(40,699,634)	(39,767,422)	(41,036,304)	(39,794,985)	(39,380,693)	(38,446,257)	(35,722,661)	(38,405,093)
Business-Type Activities	(968,319)	(998,253)	(1,794,176)	(2,193,418)	(1,065,002)	(719,000)	(780,713)	(1,591,755)	(1,528,265)	(1,459,598)
<b>Total District-Wide Net Expense</b>	<b>\$ (37,153,842)</b>	<b>(36,328,152)</b>	<b>(42,493,810)</b>	<b>(41,960,840)</b>	<b>(42,101,306)</b>	<b>(40,513,985)</b>	<b>(40,161,406)</b>	<b>(40,038,012)</b>	<b>(37,250,926)</b>	<b>(39,864,691)</b>
General Revenues & Other Changes in Net Assets:										
Governmental Activities:										
County Appropriation	\$ 5,000,000	5,000,000	5,200,000	4,800,000	4,800,000	4,800,000	5,494,388	6,550,783	5,200,000	4,800,000
Federal & State Aid Not Restricted	548,777	395,295	111,187	114,084	131,969	226,496	288,044	213,391	631,610	2,035,384
Tuition Received	28,650,380	26,020,506	26,362,211	26,015,684	24,794,520	26,767,255	26,720,278	23,818,838	25,454,600	25,866,996
Tuition Charges	10,108,121	11,220,066	8,452,604	10,668,664	9,549,612	9,149,882	8,310,839	7,052,945	7,469,275	6,978,742
Non Resident Fees	354,501	320,044	351,147	323,792	331,192	386,802	354,042	358,446	344,680	58,310
Rent and Royalties							158,609	144,083		
Miscellaneous Income	938,539	880,698	2,580,527	388,344	271,297	503,774	164,830	210,860	192,540	255,597
Transfers	(837,137)	(2,467,880)	(2,410,079)	(1,817,665)	(728,350)	(1,157,385)	(1,542,798)	(554,419)	(547,580)	(934,668)
Board Contribution to County	-				(400,000)	(563,560)	31,853		227,627	
Transfer from County										
<b>Total Governmental Activities</b>	<b>44,763,181</b>	<b>41,368,729</b>	<b>40,647,597</b>	<b>40,492,903</b>	<b>38,950,240</b>	<b>40,113,264</b>	<b>39,980,085</b>	<b>37,794,927</b>	<b>38,972,752</b>	<b>39,060,361</b>
Business-Type Activities:										
Investment Earnings	-							4	697	890
Contributed Capital										
Transfers	837,137	2,467,880	2,410,079	1,817,665	728,350	1,157,385	1,542,798	554,419	547,580	420,690
Cancellation of Prior Year A/P			(179,570)			71,944	(56,419)	65,064		
Adjustment to Capital Assets										
<b>Total Business-Type Activities</b>	<b>837,137</b>	<b>2,467,880</b>	<b>2,230,509</b>	<b>1,817,665</b>	<b>728,350</b>	<b>1,229,329</b>	<b>1,486,379</b>	<b>619,487</b>	<b>548,277</b>	<b>421,580</b>
<b>Total District-Wide</b>	<b>\$ 45,600,318</b>	<b>43,836,609</b>	<b>42,878,106</b>	<b>42,310,568</b>	<b>39,678,590</b>	<b>41,342,593</b>	<b>41,466,464</b>	<b>38,414,414</b>	<b>39,521,029</b>	<b>39,481,941</b>
Change in Net Position:										
Governmental Activities	\$ 8,577,658	6,038,830	(52,037)	725,481	(2,086,064)	318,279	599,392	(651,330)	3,250,091	655,268
Business-Type Activities	(131,182)	1,469,627	436,333	(375,753)	(336,652)	510,329	705,666	(972,268)	(979,988)	(1,038,018)
<b>Total District</b>	<b>\$ 8,446,476</b>	<b>7,508,457</b>	<b>384,296</b>	<b>349,728</b>	<b>(2,422,716)</b>	<b>828,608</b>	<b>1,305,058</b>	<b>(1,623,598)</b>	<b>2,270,103</b>	<b>(382,750)</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
FUND BALANCES AND GOVERNMENTAL FUNDS  
LAST FOUR FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Fund</b>										
Restricted	\$ 7,387,285	4,062,292	1,722,429	1,514,905	1,512,950	1,510,108	1,510,108	1,510,108	1,509,852	1,508,343
Assigned	1,493,637	152,240	39,145		1,085,772	976,999	270,943	133,016	2,429,758	-
Unreserved	3,148,770	3,771,054	3,482,809	2,374,072	583,031	3,496,656	3,366,087	3,060,863	4,276,178	4,051,354
<b>Total General Fund</b>	<b>\$ 12,029,692</b>	<b>7,985,586</b>	<b>5,244,383</b>	<b>3,888,977</b>	<b>3,181,753</b>	<b>5,983,763</b>	<b>5,147,138</b>	<b>4,703,987</b>	<b>8,215,788</b>	<b>5,559,697</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
County Appropriation	\$ 5,000,000	5,000,000	5,200,000	4,800,000	4,800,000	4,800,000	5,494,388	6,550,783	5,200,000	4,800,000
Tuition Charges	28,650,380	26,020,506	26,362,211	26,015,684	24,794,520	26,767,255	26,720,278	23,818,838	25,454,600	25,866,996
Other Tuition	10,108,121	11,220,066	8,452,604	10,668,664	9,549,612	9,149,882	8,310,839	7,052,945	7,469,275	6,978,742
Nonresident Fees	354,501	320,044	351,147	323,792	531,192	386,802	354,042	358,446	344,680	58,310
Rent and Royalties							158,609	144,083	-	-
Miscellaneous	853,372	785,495	2,565,206	388,344	271,297	503,774	164,830	210,860	192,540	255,597
Local Sources	57,247	44,899	15,321							
State Sources	9,076,649	9,311,692	7,325,008	6,262,149	6,026,531	5,321,732	4,596,870	4,126,941	3,794,646	3,954,584
Federal Sources	607,282	356,110	143,281	114,084	131,969	226,496	288,044	213,391	631,610	145,671
<b>Total Revenues</b>	<b>54,707,552</b>	<b>53,058,812</b>	<b>50,414,778</b>	<b>48,572,717</b>	<b>46,105,121</b>	<b>47,155,941</b>	<b>46,087,900</b>	<b>42,476,287</b>	<b>43,087,351</b>	<b>42,059,900</b>
<b>Expenditures:</b>										
<b>Current:</b>										
Special Education Instruction	14,156,801	13,901,286	13,714,043	14,075,550	15,173,559	14,897,265	14,872,414	14,952,342	15,200,512	15,424,094
Other Special Instruction	236,667	274,724	197,630	164,051	207,678	223,372	327,741	264,662	111,882	109,620
<b>Support Services &amp; Undistributed Costs:</b>										
Student & Instruction Related Services	5,878,573	5,462,978	5,312,417	4,646,805	4,920,766	4,923,072	4,835,812	4,742,066	4,765,408	4,790,637
School Administrative Services	723,771	776,255	681,659	616,315	623,969	581,674	659,370	571,932	539,302	683,097
Other Administrative Services	3,088,011	4,066,151	4,229,623	4,167,346	2,687,494	3,435,815	3,243,060	2,484,042	2,513,961	2,418,655
Plant Operations & Maintenance	3,759,771	3,600,920	3,196,499	3,520,427	3,982,750	3,420,199	3,636,968	3,265,315	2,957,405	3,584,535
Pupil Transportation	218,009	158,347	242,268	235,313	263,281	238,717	244,846	303,019	545,275	338,084
Unallocated Benefits	10,858,002	10,067,109	11,710,101	12,158,595	12,603,194	10,917,361	9,383,966	14,187,144	12,033,630	12,690,642
On-Behalf TPAF & FICA Contributions	9,063,949	9,223,635	7,325,008	6,262,149	6,026,531	5,321,732	4,596,870	-	-	-
Capital Outlay	1,856,713	322,297	249,325	201,277	1,289,559	639,164	2,332,757	4,585,970	1,424,156	1,164,278
<b>Total Expenditures</b>	<b>\$ 49,840,267</b>	<b>47,853,702</b>	<b>46,858,573</b>	<b>46,047,828</b>	<b>47,778,781</b>	<b>44,598,371</b>	<b>44,133,804</b>	<b>45,356,492</b>	<b>40,091,531</b>	<b>41,203,642</b>

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Excess (Deficiency) of Revenues Over/(Under) Expenditures	4,867,285	5,205,110	3,556,205	2,524,889	(1,673,660)	2,557,570	1,954,096	(2,880,205)	2,995,820	856,258
Other Financing Sources/(Uses):										
Transfers Out	(837,137)	(2,467,880)	(2,410,079)	(1,817,665)	(728,350)	(1,157,385)	(1,542,798)	(554,419)	(319,953)	(934,668)
Board Contribution to County	-	-	-	-	(400,000)	(563,560)	-	-	-	-
Cancellation of Prior Year's Receivables	-	-	-	-	-	-	31,853	(77,177)	-	-
Total Other Financing Sources/(Uses)	(837,137)	(2,467,880)	(2,410,079)	(1,817,665)	(1,128,350)	(1,720,945)	(1,510,945)	(631,596)	(319,953)	(934,668)
Net Change in Fund Balances	4,030,148	2,737,230	1,146,126	707,224	(2,802,010)	836,625	443,151	(3,511,801)	2,675,867	(78,410)

Debt Service as a Percentage of  
Noncapital Expenditures

N/A      N/A      N/A      N/A      N/A      N/A      N/A      N/A      N/A      N/A

Source: District records



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

FISCAL YEAR ENDED JUNE 30,	TUITION	OTHER LOCAL REVENUE	STATE REVENUE	FEDERAL REVENUE	TOTAL
2023	38,758,501	6,207,873	9,063,949	294,587	54,324,910
2022	37,240,572	6,105,539	9,297,055	199,762	52,842,928
2021	34,814,815	8,116,353	7,325,008	128,281	50,384,457
2020	36,684,348	5,512,136	6,262,149	114,084	48,572,717
2019	34,344,132	5,602,489	6,026,531	131,969	46,105,121
2018	35,917,137	5,690,576	5,321,732	226,496	47,155,941
2017	35,031,117	4,682,000	4,596,870	288,044	44,598,031
2016	30,871,783	5,513,389	4,126,941	213,391	40,725,504
2015	32,923,875	5,737,220	3,794,646	631,610	43,087,351
2014	32,845,738	5,113,907	3,440,606	145,671	41,545,922

Note: Excludes the Capital Projects Fund as these expenditures vary substantially from year to year. The Financial data presented would not be as meaningful for comparative purposes if these were included.

Source: District Records.

**EXHIBIT J-6 THROUGH J-13**  
**NOT APPLICABLE**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

YEAR	COUNTY POPULATION (a)	PERSONAL INCOME (b)	COUNTY PER CAPITA PERSONAL INCOME (c)	COUNTY UNEMPLOYMENT RATE (d)
2022	466,103	N/A	N/A	3.3%
2021	464,269	32,264,838,424	69,496	5.3%
2020	446,596	29,990,707,784	67,154	8.2%
2019	446,160	28,343,652,480	63,528	3.3%
2018	445,429	27,233,529,060	61,140	3.7%
2017	446,229	26,448,439,059	59,271	4.1%
2016	447,092	25,744,898,636	57,583	4.4%
2015	447,906	25,049,143,050	55,925	5.2%
2014	449,806	24,097,007,032	53,572	6.3%
2013	448,992	23,187,293,856	51,643	7.9%

Source: New Jersey Department of Education

(a) Population information provided by the New Jersey Department of Labor and Workforce Development

(b) Estimated based upon the Municipal Population and Per Capita Personal Income presented

(c) Estimated based upon the 2020 Census published by the U.S. Bureau of Economic Analysis

(d) Unemployment data provided by the New Jersey Department of Labor and Workforce Development

**EXHIBIT J-15 NOT AVAILABLE**

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEAR**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Special Education	325	326	283	311	338	344	321	334	378	378
Support Services:										
Student & Instruction Related Services	64	61	63	58	62	56	56	61	63	63
School Administrative Services	16	17	16	15	17	22	29	38	14	14
General & Business Administrative Services	11	13	13	19	17	22	25	10	11	11
Plant Operations & Maintenance	26	26	24	28	30	27	26	22	24	24
Pupil Transportation	4	4	5	5	6	5	4		3	3
Business & Other Support Services									3	3
Food Service	3	3	3	3	3	10	10	10	10	10
<b>Total</b>	<b>449</b>	<b>450</b>	<b>407</b>	<b>439</b>	<b>473</b>	<b>486</b>	<b>471</b>	<b>475</b>	<b>506</b>	<b>506</b>

Source: District Personnel Records

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	TEACHER RATIO	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2023	484	\$47,983,554	99,140	8.04%	108	4.7/1	537.15	451.22	-0.03%	84.00%	
2022	518	47,531,405	91,759	-1.37%	108	4.8/1	537.31	432.73	2.03%	80.54%	
2021	501	46,609,248	93,032	10.39%	97	5.2/1	526.64	430.39	-11.79%	81.72%	
2020	544	45,846,551	84,277	-0.11%	99	5.5/1	597.00	508.40	-1.81%	85.16%	
2019	551	46,489,222	84,372	16.50%	107	5.6/1	608.00	519.50	14.16%	85.44%	
2018	607	43,959,207	72,420	6.72%	107	5.6/1	532.60	538.50	-14.97%	101.11%	
2017	616	41,801,047	67,859	15.68%	103	6/1	626.40	540.50	-9.26%	86.29%	
2016	695	40,770,522	58,663	4.68%	127	6.2/1	690.30	596.00	0.61%	86.34%	
2015	690	38,667,375	56,040	-0.63%	127	6.2/1	686.10	595.60	-18.91%	86.81%	
2014	710	40,039,364	56,393	0.90%	127	6.2/1	846.10	756.30	9.19%	89.39%	

Sources: District records

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Elementary Schools:</b>										
Westampton Campus:										
Square Feet	207,433	207,433	207,433	207,433	207,433	207,433	207,433	207,433	207,433	207,433
Capacity (Students)	755	755	755	755	755	755	755	755	755	755
Enrollment	340	334	357	412	484	426	519	398	424	417
Lumberton Campus:										
Square Feet	66,438	66,438	66,438	66,438	66,438	66,438	66,438	66,438	66,438	66,438
Capacity (Students)	165	165	165	165	165	165	165	165	165	165
Enrollment	85	71	87	17	32	93	176	178	177	252
Junior/Senior:										
Square Feet	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000
Capacity (Students)	167	167	167	167	167	167	167	167	167	167
Enrollment	93	96	100	79	85	97	167	114	109	106

Number of Schools at June 30, 2023:  
Other = 3

**Source:** District Facilities Office

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST SIX FISCAL YEARS**

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

*	JR/SR HIGH SCHOOL	WESTAMPTON CAMPUS	LUMBERTON CAMPUS	TOTAL
2023	\$ 104,244	651,156	162,979	\$ 918,379
2022	34,616	438,587	168,547	641,750
2021	53,607	529,975	182,295	765,877
2020	36,245	566,041	220,531	822,817
2019	47,094	623,360	329,594	1,000,048
2018	43,334	534,229	241,790	819,353
2017	41,342	603,362	224,053	868,757
2016	8,689	535,370	212,843	756,902
2015	22,305	538,998	262,394	823,697
2014	29,272	480,541	281,302	791,115
Total School Facilities	<u>\$ 420,748</u>	<u>5,501,619</u>	<u>2,286,328</u>	<u>\$ 8,208,695</u>

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

Source: District records

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023**

	COVERAGE	DEDUCTIBLE
<b>Commercial General Liability:</b>		
Bodily Injury and Property Damage - Per Occurrence	\$ 16,000,000	
Products/Completed Operations Aggregate Limit	16,000,000	
Personal/Advertising Injury Limit - Per Occurrence	16,000,000	
Employee Benefits Liability - Per Occurrence Each Occurrence	16,000,000	1,000
<b>Commercial Property Coverage:</b>		
Blanket Coverage, Building & Contents	104,587,950	5,000
Equipment Floater:		
Hardware / Software	500,000,000	1,000
Equipment Breakdown	100,000,000	25,000
<b>Commercial Automobile:</b>		
Bodily Injury & Property Damage	16,000,000	
Medical Payments: Private Passenger	10,000	
Medical Payments: All Other Vehicles	5,000	
Uninsured/Underinsured Motorist: Bodily Injury Per Person	15,000	
Uninsured/Underinsured Motorist: Bodily Injury Per Accident	30,000	
Uninsured/Underinsured Motorist: Private Passenger	1,000,000	
<b>Commercial Crime:</b>		
Public Employee Dishonesty with Faithful Performance	100,000	500
Theft, Disappearance and Destruction - Loss of Money	50,000	500
Theft, Disappearance and Destruction - Money Orders & Counterfeits	50,000	500
Forgery & Alteration	50,000	500
Computer Fraud	50,000	500
<b>Pollution Liability:</b>	1,000,000 / 2,000,000	50,000
<b>Cyber Liability:</b>	4,000,000	25,000
<b>Employment Practices Legal Liability / School Board Legal Liability:</b>		
Compulsory - Aggregate Limit of Liability	1,000,000	
Excess Medical	5,000,000	25,000
<b>Public Official Bonds:</b>		
Qualified Purchasing Agent	100,000	
Board Secretary	100,000	
Treasurer	400,000	
<b>Workers Compensation:</b>		

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**SINGLE AUDIT SECTION**



BRENT W. LEE & CO., LLC  
Certified Public Accounting Firm

EXHIBIT K-1

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

The Honorable President and Members  
of the Board of Education  
Burlington County Special Services School District  
County of Burlington  
Westampton, New Jersey 08060

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

**Report on Internal Control Over Financial Reporting**

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

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

609-456-8804  
39 Paddock Lane, Cinnaminson, NJ 08077

## Report on Compliance and Other Matters

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

### Purpose of this Report

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

Respectfully submitted,



Brent W. Lee  
Certified Public Accountant  
Public School Accountant No. 700

Cinnaminson, New Jersey  
November 30, 2023



BRENT W. LEE & CO., LLC  
Certified Public Accounting Firm

EXHIBIT K-2

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

The Honorable President and Members  
of the Board of Education  
Burlington County Special Services School District  
County of Burlington  
Westampton, New Jersey 08060

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

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

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

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

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

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

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

609-456-8804  
39 Paddock Lane, Cinnaminson, NJ 08077

### ***Responsibilities of Management for Compliance***

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

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

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. OMB Circular 15-08, we:

- Exercise professional judgement 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 compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of 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 Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control over Compliance***

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

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

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

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

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Burlington County Special Services School District as of and for the year ended June 30, 2023, and have issued my report thereon dated November 30, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,



Brent W. Lee  
Certified Public Accountant  
Public School Accountant No. 700  
Brent W. Lee & Co., LLC

Cinnaminson, New Jersey  
November 30, 2023

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**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENT	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2023	UNEARNED REVENUE AT JUNE 30, 2022
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>											
<b>Passed Through New Jersey Department of Human Services:</b>											
<b>General Fund:</b>											
MAC Reimbursement	93.778	2005NJ5MAP	N/A	\$ 63,823	7/01/21-6/30/22	\$ (21,036)	21,036	-	-	-	-
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	135,939	7/01/21-6/30/22	(11,551)	11,551	-	-	-	-
MAC Reimbursement	93.778	2005NJ5MAP	N/A	128,084	7/01/22-6/30/23	-	128,084	(128,084)	-	-	-
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	166,503	7/01/22-6/30/23	-	166,503	(166,503)	-	-	-
Total U.S. Department of Health and Human Services						(32,587)	327,174	(294,587)	-	-	-
<b>U.S. DEPARTMENT OF EDUCATION</b>											
<b>Passed Through NJ Department of Education:</b>											
<b>E.S.S.F.R.</b>											
ARP- ESSER	84.425U	S425U210027	N/A	312,695	3/13/20-9/30/24	-	312,695	(312,695)	-	-	-
<b>U.S. DEPARTMENT OF AGRICULTURE</b>											
<b>Passed Through New Jersey Department of Agriculture:</b>											
<b>Child Nutrition Cluster:</b>											
COVID-19 School Breakfast Program	10.553	221NJ304N1099		167,056	7/01/21-6/30/22	(\$11,759)	11,759	-	-	-	-
School Breakfast Program	10.553	231NJ304N1099		97,530	7/01/22-6/30/23	-	92,286	(97,530)	(5,244)	-	-
COVID-19 National School Lunch Program	10.555	221NJ304N1099		302,785	7/01/21-6/30/22	(21,717)	21,717	-	-	-	-
National School Lunch Program	10.555	231NJ304N1099		188,062	7/01/22-6/30/23	-	177,490	(188,062)	(10,572)	-	-
HHFKA - Performance Based	10.555	231NJ304N1099		4,093	7/01/22-6/30/23	-	3,837	(4,093)	(256)	-	-
Supply Chain Assistance Funding	10.555	221NJ344N8903		15,052	7/01/21-6/30/22	(15,052)	15,052	-	-	-	-
Supply Chain Assistance Funding	10.555	231NJ344N8903		23,217	7/01/22-6/30/23	-	23,217	(23,217)	-	-	-
Food Distribution Program	10.555	231NJ304N1099		50,575	7/01/22-6/30/23	-	50,575	(50,575)	-	-	-
Total Child Nutrition Cluster						(36,769)	291,888	(265,947)	-	(10,828)	-
Total Federal Financial Assistance						(48,528)	395,933	(363,477)	-	(16,072)	-
						\$ (81,115)	1,035,802	(970,759)	-	(16,072)	\$ -

N/A - Not Available

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



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2023	MEMO CUMULATIVE TOTAL EXPENDITURES
<b>State Department of Education:</b>									
General Fund:									
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	22-495-034-5094-003	1,209,977	7/01/21-6/30/22	\$ (60,571)	60,571	-	-	-	-
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	23-495-034-5094-003	1,205,615	7/01/22-6/30/23	(60,571)	1,083,611	(1,205,615)	-	(122,004)	(1,205,615)
On-Behalf TPAF Post-Retirement Medical (Noncash Assistance)	23-495-034-5094-001	1,634,260	7/01/22-6/30/23		1,634,260	(1,634,260)	-	-	(1,634,260)
On-Behalf TPAF Pension Contributions (Noncash)	23-495-034-5094-002	6,221,068	7/01/22-6/30/23		6,221,068	(6,221,068)	-	-	(6,221,068)
On-Behalf TPAF Long-Term Disability Insurance Contributions (Noncash)	23-495-034-5094-004	3,006	7/01/22-6/30/23		3,006	(3,006)	-	-	(3,006)
Total General Fund				(60,571)	9,002,516	(9,063,949)	-	(122,004)	(9,063,949)
<b>State Department of Education:</b>									
Special Revenue Fund:									
SDA-Emergent Needs & Capital Maintenance Needs	EG-0105-D01	12,700	7/01/22-6/30/23		12,700	(12,700)	-	-	(12,700)
Total Special Revenue Fund				-	12,700	(12,700)	-	-	(12,700)
<b>New Jersey Department of Agriculture:</b>									
Enterprise Funds:									
National School Lunch Program (State Share)	22-100-010-3350-023	7,131	7/01/21-6/30/22	(500)	500	-	-	-	-
National School Lunch Program (State Share)	23-100-010-3350-023	9,514	7/01/22-6/30/23	(500)	8,974	(9,514)	(540)	(540)	(9,514)
Total Enterprise Fund				(500)	9,474	(9,514)	-	(540)	(9,514)
Total State Financial Assistance				\$ (61,071)	9,024,690	(9,086,163)	-	(122,544)	\$ (9,086,163)
<b>State Financial Assistance Programs not subject to Calculation for major Program Determination:</b>									
On-Behalf TPAF Post-Retirement Medical (Noncash Assistance)	23-495-034-5094-001		7/01/22-6/30/23			1,634,260			
On-Behalf TPAF Pension Contributions (Noncash)	23-495-034-5094-002		7/01/22-6/30/23			6,221,068			
On-Behalf TPAF Long-Term Disability Insurance Contributions (Noncash)	23-495-034-5094-004		7/01/22-6/30/23			3,006			
Total State Financial Assistance subject to Calculation for Major Program Determination						\$ (1,227,829)			

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Note 1. Basis of Presentation**

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

**Note 2. Summary of Significant Accounting Policies**

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

**Note 3. Relationship to Basic Financial Statements**

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

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Note 3. Relationship to Basic Financial Statements (continued)**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is -0- for the general fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 294,587	9,063,949	\$ 9,358,536
Special Revenue Fund	312,695	12,700	325,395
Food Service Fund	<u>363,477</u>	<u>9,514</u>	<u>372,991</u>
Total Awards & Financial Assistance	<u>\$ 970,759</u>	<u>9,086,163</u>	<u>\$10,056,922</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

The Burlington County Special Services School District had no loan balances outstanding at June 30, 2023.

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Section I - Summary of Auditor's  
Results**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- 1) Material weakness(es) identified?        yes   X   no
- 2) Significant deficiency(ies) identified?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X   no

**Federal Awards**

Internal control over major programs:

- 1) Material weakness(es) identified?        yes   X   no
- 2) Significant deficiency(ies) identified?        yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a)?        yes   X   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP ESSER</u>
<u>      </u>	<u>      </u>	<u>      </u>
<u>      </u>	<u>      </u>	<u>      </u>
<u>      </u>	<u>      </u>	<u>      </u>
<u>      </u>	<u>      </u>	<u>      </u>

Dollar threshold used to determine Type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   yes        no



**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Section II – Financial Statement Findings – N/A**

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

**Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs**

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, as applicable.

**FEDERAL AWARDS**

N/A

**STATE FINANCIAL ASSISTANCE**

N/A

**BURLINGTON COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, as applicable.

**Status of Prior Year Findings:**

N/A

**Federal Awards:**

N/A

**State Financial Assistance:**

N/A