

**CLARK PUBLIC
SCHOOL DISTRICT**

**Clark Public School District
Clark, New Jersey**

**Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2023**

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Clark Public School District

Clark, New Jersey

For The Fiscal Year Ended June 30, 2023

Prepared by

**Clark Public School District
Finance Department**

**CLARK PUBLIC SCHOOL DISTRICT
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INTRODUCTORY SECTION



Clark Public Schools

365 Westfield Ave • Clark, NJ 07066
(732)574-9600 • Fax (732)574-1456

Edward Grande
Superintendent of Schools

R. Paul Vizzuso
Business Admin./Board Secretary

January 9, 2024

Honorable President and
Members of the Board of Education
Clark Board of Education
County of Union, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District’s organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the district-wide and fund financial statements and schedules, as well as the auditor’s report and the Management’s Discussion and Analysis. The statistical section includes selected financial statements and schedules as well as information generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and the State Treasury OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments. Information related to this single audit, including the auditor’s report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

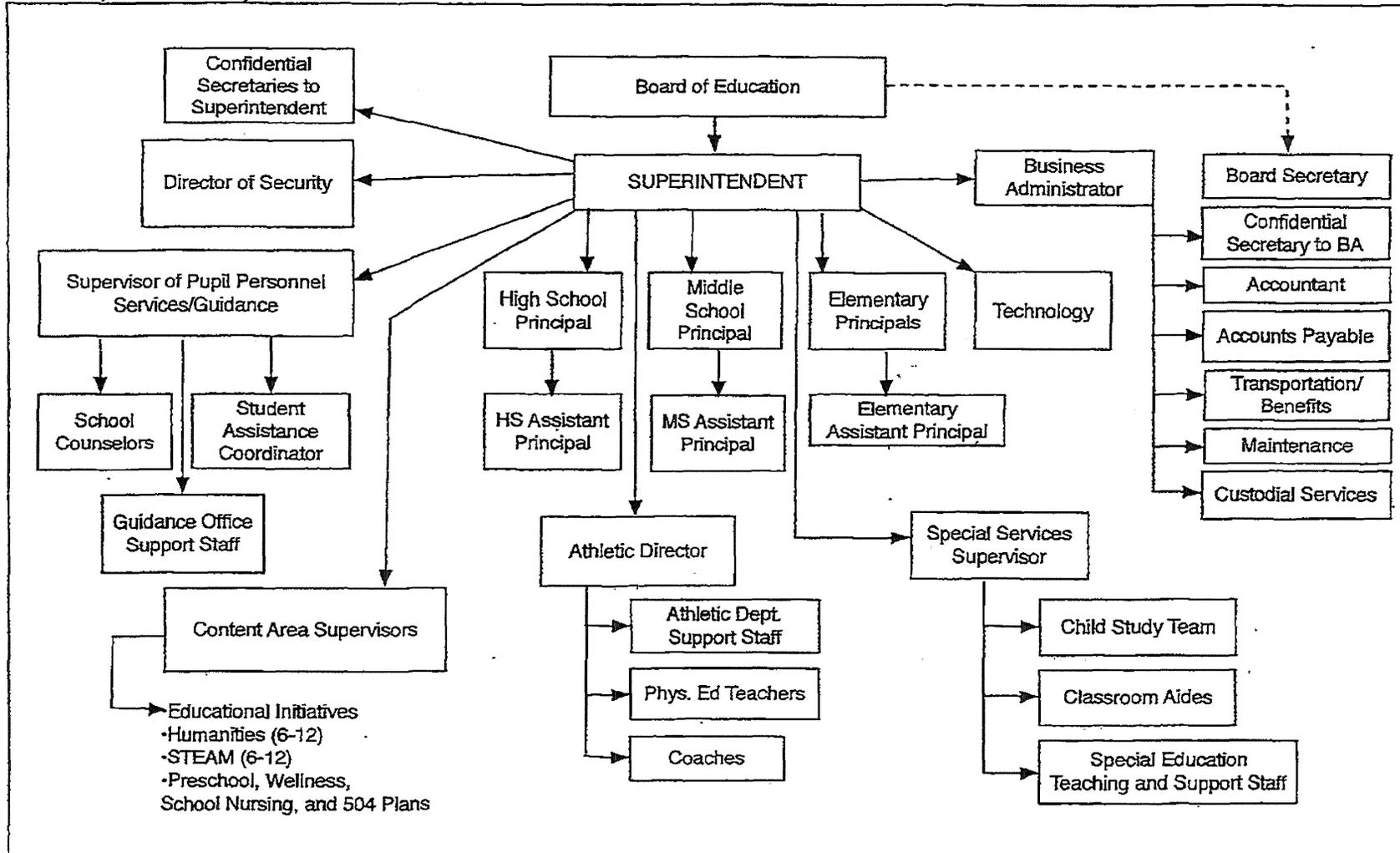
Respectfully submitted,

Edward Grande
Superintendent of Schools

R. Paul Vizzuso
Business Administrator/Board Secretary

CLARK PUBLIC
SCHOOLS
Clark, New Jersey

ORGANIZATIONAL CHART



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**CLARK PUBLIC SCHOOL DISTRICT
CLARK, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2023**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Steven Donkersloot, President	2023
Thomas Lewis, Vice President	2025
Lorraine j. Aklonis	2025
Dino Bencivenga	2024
Scott Bohm	2024
Robert Brede	2023
Christine Guerriero, Garwood Representative	2023
Megan Harrison	2023
Kristen Hickman	2025
Robert Smorol	2024

Other Officials

Edward Grande, Superintendent of Schools

R. Paul Vizzuso, Business Administrator/Board Secretary

James Testa, Treasurer of School Monies

**CLARK PUBLIC SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

Audit Firm

Lerch, Vinci & Bliss, LLP
17-17 Route 208
Fair Lawn, NJ 07410

Attorney

Weiner Law Group, LLP
Attorneys at Law
629 Parsippany Road
Parsippany, NJ 07054

Official Depositories

Columbia Bank
1100 Raritan Road
Clark, NJ 07066

Health Insurance Broker

Brown & Brown
1129 Broad Street, Suite 204
Shrewsbury, NJ 07702

Architect

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Clark Public School District
Clark, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Clark Public School District, as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Clark Public School District as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of 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, 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 judgment 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 Clark Public School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clark Public School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clark Public School District's basic financial statements. The accompanying fund financial statements, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Clark Public School District. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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 annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 9, 2024 on our consideration of the Clark Public School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clark Public School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Clark Public School District's internal control over financial reporting and compliance.



LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
January 9, 2024

REQUIRED SUPPLEMENTARY INFORMATION – PART I
MANAGEMENT’S DISCUSSION AND ANALYSIS

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

This section of Clark Public School District's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year include the following:

- The assets and deferred outflows of resources of the Clark Public School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$18,920,200 (net position).
- Overall District revenues were \$49,158,403. General revenues accounted for \$35,622,802 or 72% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$13,535,601 of total revenues.
- The School District had \$46,340,307 in expenses for governmental activities; only \$11,880,938 of these expenses were offset by program specific charges and grants or contributions. General revenues (predominantly property taxes) of \$35,587,315 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$9,169,478 a decrease of \$4,002,837 when compared to the ending fund balance at June 30, 2022 of \$13,172,315. The decrease was primarily the result of expenditures in the Capital Projects Fund related to the interlocal agreement with Township for the turf field renovations.
- The General Fund unassigned fund balance at June 30, 2023 was \$490,093, a decrease of \$815,046 when compared with the ending General Fund unassigned fund balance of \$1,305,139 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$1,117,691 which represents a decrease of \$796,017 when compared to the ending unassigned fund balance at June 30, 2022 of \$1,913,708. The decrease was primarily the result of State reducing the maximum unassigned fund balance from four (4) percent of expenditures to two (2) percent of expenditures.

CLARK PUBLIC SCHOOL DISTRICT

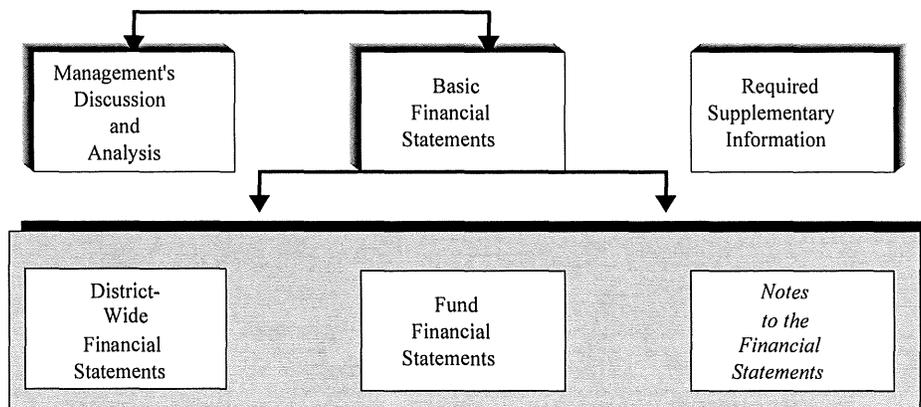
Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
 - The Governmental Funds statements tell how basic services were financed in the short term as well as what remains for future spending.
 - Proprietary Funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are summarized below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, special education building maintenance, and community education	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

District-Wide Financial Statements

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

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

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

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. Taxes, State and Federal Aids and tuition charged to other school districts finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service and Before and After Care Funds are included here.

Fund Financial Statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Notes to the Financial Statements

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

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and post-retirement medical benefits as required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons if required.

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,920,200 and \$17,368,254 as of June 30, 2023 and 2022, respectively, as shown below.

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

Net Position as of June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current and Other Assets	\$ 11,871,766	\$ 14,858,351	\$ 2,854,815	\$ 2,452,735	\$ 14,726,581	\$ 17,311,086
Capital Assets	<u>20,539,839</u>	<u>18,484,438</u>	<u>190,013</u>	<u>146,156</u>	<u>20,729,852</u>	<u>18,630,594</u>
Total Assets	<u>32,411,605</u>	<u>33,342,789</u>	<u>3,044,828</u>	<u>2,598,891</u>	<u>35,456,433</u>	<u>35,941,680</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	179,969	63,135			179,969	63,135
Deferred Amounts on Refunding of Debt	<u>127,498</u>	<u>202,194</u>	<u>-</u>	<u>-</u>	<u>127,498</u>	<u>202,194</u>
Total Deferred Outflows	<u>307,467</u>	<u>265,329</u>	<u>-</u>	<u>-</u>	<u>307,467</u>	<u>265,329</u>
Total Assets and Deferred Outflows	<u>32,719,072</u>	<u>33,608,118</u>	<u>3,044,828</u>	<u>2,598,891</u>	<u>35,763,900</u>	<u>36,207,009</u>
Liabilities						
Long-Term Liabilities	12,546,636	14,302,436			12,546,636	14,302,436
Other Liabilities	<u>2,714,324</u>	<u>1,703,372</u>	<u>186,118</u>	<u>168,844</u>	<u>2,900,442</u>	<u>1,872,216</u>
Total Liabilities	<u>15,260,960</u>	<u>16,005,808</u>	<u>186,118</u>	<u>168,844</u>	<u>15,447,078</u>	<u>16,174,652</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	1,389,976	2,662,120			1,389,976	2,662,120
Deferred Commodities Revenue	<u>-</u>	<u>-</u>	<u>6,646</u>	<u>1,983</u>	<u>6,646</u>	<u>1,983</u>
Total Deferred Inflows	<u>1,389,976</u>	<u>2,662,120</u>	<u>6,646</u>	<u>1,983</u>	<u>1,396,622</u>	<u>2,664,103</u>
Total Liabilities and Deferred Inflows	<u>16,650,936</u>	<u>18,667,928</u>	<u>192,764</u>	<u>170,827</u>	<u>16,843,700</u>	<u>18,838,755</u>
Net Position						
Net Investment in Capital Assets	12,389,223	11,717,955	190,013	146,156	12,579,236	11,864,111
Restricted	2,060,463	2,011,864			2,060,463	2,011,864
Unrestricted	<u>1,618,450</u>	<u>1,210,371</u>	<u>2,662,051</u>	<u>2,281,908</u>	<u>4,280,501</u>	<u>3,492,279</u>
Total Net Position	<u>\$ 16,068,136</u>	<u>\$ 14,940,190</u>	<u>\$ 2,852,064</u>	<u>\$ 2,428,064</u>	<u>\$ 18,920,200</u>	<u>\$ 17,368,254</u>

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

The changes in net position for fiscal years ended 2023 and 2022 are as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program Revenues						
Charges for Services	\$ 2,465,749	\$ 1,885,752	\$ 1,319,070	\$ 688,605	\$ 3,784,819	\$ 2,574,357
Operating Grants and Contributions	8,908,677	10,880,936	335,593	1,123,549	9,244,270	12,004,485
Capital Grants and Contributions	506,512				506,512	-
General Revenues						
Property Taxes	35,432,351	35,189,151			35,432,351	35,189,151
Miscellaneous	154,964	62,633	35,487	3,053	190,451	65,686
Total Revenues	<u>47,468,253</u>	<u>48,018,472</u>	<u>1,690,150</u>	<u>1,815,207</u>	<u>49,158,403</u>	<u>49,833,679</u>
Expenses						
Instruction						
Regular	21,880,208	22,595,372			21,880,208	22,595,372
Special Education	5,340,219	5,914,910			5,340,219	5,914,910
Other Instruction	457,371	668,789			457,371	668,789
School Sponsored Activities and Athletics	1,428,755	1,404,183			1,428,755	1,404,183
Support Services						
Student and Instruction Related Services	5,745,716	5,985,534			5,745,716	5,985,534
General Administration Services	836,342	918,733			836,342	918,733
School Administration Services	2,934,238	2,940,851			2,934,238	2,940,851
Plant Operation and Maintenance	4,338,663	3,742,050			4,338,663	3,742,050
Pupil Transportation	2,710,413	2,289,186			2,710,413	2,289,186
Business Services	443,905	459,921			443,905	459,921
Interest and Other Chgs on Long-Term Debt	224,477	279,511			224,477	279,511
Food Service			916,274	932,910	916,274	932,910
Before and After School Program	-	-	349,876	290,466	349,876	290,466
Total Expenses	<u>46,340,307</u>	<u>47,199,040</u>	<u>1,266,150</u>	<u>1,223,376</u>	<u>47,606,457</u>	<u>48,422,416</u>
Change in Net Position	1,127,946	819,432	424,000	591,831	1,551,946	1,411,263
Net Position, Beginning of Year	<u>14,940,190</u>	<u>14,120,758</u>	<u>2,428,064</u>	<u>1,836,233</u>	<u>17,368,254</u>	<u>15,956,991</u>
Net Position, End of Year	<u>\$ 16,068,136</u>	<u>\$ 14,940,190</u>	<u>\$ 2,852,064</u>	<u>\$ 2,428,064</u>	<u>\$ 18,920,200</u>	<u>\$ 17,368,254</u>

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

Governmental Activities

The financial position of the District improved in 2023. However, maintaining existing programs including both regular instruction and special education programs and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Total and Net Cost of Governmental Activities. The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2023 and 2022.

	<u>Total Cost of Services</u>		<u>Net Cost (Revenue) of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 21,880,208	\$ 22,595,372	\$ 17,027,942	\$ 16,682,665
Special Education	5,340,219	5,914,910	1,242,108	2,563,543
Other Instruction	457,371	668,789	265,167	(43,775)
School Sponsored Activities and Athletics	1,428,755	1,404,183	1,106,486	1,120,675
Support Services				
Student and Instruction Related Services	5,745,716	5,985,534	4,645,203	4,617,365
General Administration	836,342	918,733	836,342	881,678
School Administration Services	2,934,238	2,940,851	2,467,745	2,329,146
Plant Operation and Maintenance	4,338,663	3,742,050	3,775,846	3,582,705
Pupil Transportation	2,710,413	2,289,186	2,424,148	1,999,318
Business Services	443,905	459,921	443,905	419,521
Interest and Other Charges on Long-Term Debt	224,477	279,511	224,477	279,511
Total	<u>\$ 46,340,307</u>	<u>\$ 47,199,040</u>	<u>\$ 34,459,369</u>	<u>\$ 34,432,352</u>

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$9,169,478 a decrease of \$4,002,837 from last year's fund balance of \$13,172,315. As stated earlier the decrease was primarily due to spending in the Capital Projects Fund related to the interlocal agreement with the Township for the turf field renovations.

Revenues for the District's governmental funds were \$51,413,136; total expenditures were \$55,362,536.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

Revenues of the General Fund were \$47,304,148 for the fiscal year ended June 30, 2023. State sources amounted to \$11,355,202, federal sources totaled \$16,182 and local sources were \$35,932,764.

Expenditures of the General Fund were \$47,884,262. Instructional expenditures were \$29,325,546, support services were \$17,457,317, capital expenditures were \$576,485 and debt service expenditures were \$524,914 for the fiscal year ended June 30, 2023.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal and State sources as well as student activity accounts.

Revenues of the Special Revenue Fund were \$2,310,957 for the fiscal year ended June 30, 2023. State sources amounted to \$465,885, federal sources totaled \$1,522,803 and local sources including student activity were \$322,269.

Expenditures of the Special Revenue Fund were \$2,283,726. Instructional expenditures were \$1,071,021, support services were \$706,193 and capital expenditures totaled \$506,512 for the fiscal year ended June 30, 2023.

Capital Projects - The capital projects expenditures exceeded revenues and other financing sources by \$3,449,954 decreasing the fund balance from \$3,449,954 at June 30, 2022 to \$-0- at June 30, 2023. These expenditures were for the turf field renovations.

Proprietary Funds

The District maintains an Enterprise Fund to account for activities, which are supported in part through user fees.

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services and Before and After Care programs. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget. These budget amendments fall into the following categories

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2022 encumbrances.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2023 and 2022 amounts to \$20,729,852 and \$18,630,594 (net of accumulated depreciation), respectively. The capital assets consist of land, site improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2022-2023 amounted to \$2,249,599 for governmental activities and \$21,782 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2023 and 2022.

	Governmental		Business- Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 1,808,965	\$ 1,808,965			\$ 1,808,965	\$ 1,808,965
Construction in Progress	3,772,436	43,921			3,772,436	43,921
Site Improvements	1,355,026	1,422,561			1,355,026	1,422,561
Buildings	12,231,090	13,888,276			12,231,090	13,888,276
Machinery and Equipment	<u>1,372,322</u>	<u>1,320,715</u>	\$ 190,013	\$ 146,156	<u>1,562,335</u>	<u>1,466,871</u>
Total	<u>\$ 20,539,839</u>	<u>\$ 18,484,438</u>	<u>\$ 190,013</u>	<u>\$ 146,156</u>	<u>\$ 20,729,852</u>	<u>\$ 18,630,594</u>

Additional information on the District's capital assets are presented in the Notes to the Financial Statements.

CLARK PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$716,866, serial bonds (including unamortized premium) of \$5,260,377, interlocal capital financing agreements of \$2,747,600, other financing agreements \$80,784, leases of \$270,137 and net pension liability of \$3,470,872 totaling \$12,546,636. This is in comparison to long-term liabilities at June 30, 2022 of \$14,302,436 or a decrease of \$1,755,800.

Additional information on the District's long-term liabilities are presented in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2023-2024 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs.

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Clark Public School District, 365 Westfield Ave., Clark, NJ 07066.

DISTRICT-WIDE FINANCIAL STATEMENTS

**CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 11,155,197	\$ 2,812,220	\$ 13,967,417
Receivables, Net:			
Receivables from Other Governments	722,767	8,102	730,869
Other		3,171	3,171
Internal Balances	(6,198)	6,198	-
Inventories		25,124	25,124
Capital Assets Not Being Depreciated	5,581,401		5,581,401
Capital Assets, Being Depreciation	<u>14,958,438</u>	<u>190,013</u>	<u>15,148,451</u>
 Total Assets	 <u>32,411,605</u>	 <u>3,044,828</u>	 <u>35,456,433</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	127,498		127,498
Deferred Amounts on Net Pension Liability	<u>179,969</u>	<u>-</u>	<u>179,969</u>
 Total Deferred Outflows of Resources	 <u>307,467</u>	 <u>-</u>	 <u>307,467</u>
 Total Assets and Deferred Outflows of Resources	 <u>32,719,072</u>	 <u>3,044,828</u>	 <u>35,763,900</u>
 LIABILITIES			
Accounts Payable and Other Current Liabilities	2,180,529	159,026	2,339,555
Accrued Interest Payable	12,036		12,036
Unearned Revenue	521,759	27,092	548,851
Noncurrent Liabilities :			
Due Within One Year	2,229,914		2,229,914
Due Beyond One Year	<u>10,316,722</u>	<u>-</u>	<u>10,316,722</u>
 Total Liabilities	 <u>15,260,960</u>	 <u>186,118</u>	 <u>15,447,078</u>
 DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	1,389,976		1,389,976
Deferred Commodities Revenue	<u>-</u>	<u>6,646</u>	<u>6,646</u>
 Total Deferred Inflows of Resources	 <u>1,389,976</u>	 <u>6,646</u>	 <u>1,396,622</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>16,650,936</u>	 <u>192,764</u>	 <u>16,843,700</u>
 NET POSITION			
Net Investment in Capital Assets	12,389,223	190,013	12,579,236
Restricted for:			
Capital Projects	924,274		924,274
Other Purposes	1,136,189		1,136,189
Unrestricted	<u>1,618,450</u>	<u>2,662,051</u>	<u>4,280,501</u>
 Total Net Position	 <u>\$ 16,068,136</u>	 <u>\$ 2,852,064</u>	 <u>\$ 18,920,200</u>

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

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	\$ 21,880,208	\$ 1,619,276	\$ 3,232,990		\$ (17,027,942)		\$ (17,027,942)
Special Education	5,340,219	523,223	3,574,888		(1,242,108)		(1,242,108)
Other Instruction	457,371		192,204		(265,167)		(265,167)
School Sponsored Activities and Athletics	1,428,755	322,269			(1,106,486)		(1,106,486)
Support Services							
Student and Instruction Related Services	5,745,716		1,100,513		(4,645,203)		(4,645,203)
General Administrative Services	836,342				(836,342)		(836,342)
School Administrative Services	2,934,238		466,493		(2,467,745)		(2,467,745)
Central and Other Support Services	443,905		-		(443,905)		(443,905)
Plant Operations and Maintenance	4,338,663	981	55,324	\$ 506,512	(3,775,846)		(3,775,846)
Pupil Transportation	2,710,413		286,265		(2,424,148)		(2,424,148)
Interest on Debt	224,477	-	-	-	(224,477)	-	(224,477)
Total Governmental Activities	<u>46,340,307</u>	<u>2,465,749</u>	<u>8,908,677</u>	<u>506,512</u>	<u>(34,459,369)</u>	<u>-</u>	<u>(34,459,369)</u>
Business-Type Activities							
Food Service	916,274	750,619	335,593			\$ 169,938	169,938
Before and After School Program	349,876	568,451	-	-	-	218,575	218,575
Total Business-Type Activities	<u>1,266,150</u>	<u>1,319,070</u>	<u>335,593</u>	<u>-</u>	<u>-</u>	<u>388,513</u>	<u>388,513</u>
Total Primary Government	<u>\$ 47,606,457</u>	<u>\$ 3,784,819</u>	<u>\$ 9,244,270</u>	<u>\$ 506,512</u>	<u>(34,459,369)</u>	<u>388,513</u>	<u>(34,070,856)</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 33,634,320		\$ 33,634,320
Levied for Debt Service	1,798,031		1,798,031
Miscellaneous Income	154,964	\$ 35,487	190,451
 Total General Revenues	 35,587,315	 35,487	 35,622,802
 Change in Net Position	 1,127,946	 424,000	 1,551,946
 Net Position, Beginning of Year	 14,940,190	 2,428,064	 17,368,254
 Net Position, End of Year	 \$ 16,068,136	 \$ 2,852,064	 \$ 18,920,200

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

FUND FINANCIAL STATEMENTS

**CLARK PUBLIC SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 10,779,512	\$ 375,682		\$ 3	\$ 11,155,197
Receivables, Net					
Receivables from Other Governments	153,708	569,059			722,767
Due from Other Funds	<u>22,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,410</u>
Total Assets	<u>\$ 10,955,630</u>	<u>\$ 944,741</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 11,900,374</u>
LIABILITIES					
Liabilities					
Accounts Payable	\$ 1,568,931	\$ 101,083			\$ 1,670,014
Payroll Deductions Withholding and Payable	423,539				423,539
Payable State Government		81,840			81,840
Due to Other Funds	28,608	-		-	28,608
Other Liabilities		5,136			5,136
Unearned Revenue	<u>-</u>	<u>521,759</u>	<u>-</u>	<u>-</u>	<u>521,759</u>
Total Liabilities	<u>2,021,078</u>	<u>709,818</u>	<u>-</u>	<u>-</u>	<u>2,730,896</u>
FUND BALANCES					
Restricted Fund Balance					
Excess Surplus	2,200,132				2,200,132
Excess Surplus - Designated for Subsequent Year's Expenditures	3,120,638				3,120,638
Capital Reserve	924,274				924,274
Maintenance Reserve	901,263				901,263
Student Activities		206,206			206,206
Science Observatory/Donations		28,717			28,717
Debt Service				\$ 3	3
Assigned Fund Balance					
Year End Encumbrances	201,728				201,728
Designated for Subsequent Year's Expenditures	1,096,424				1,096,424
Unassigned Fund Balance	<u>490,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>490,093</u>
Total Fund Balances	<u>8,934,552</u>	<u>234,923</u>	<u>-</u>	<u>3</u>	<u>9,169,478</u>
Total Liabilities and Fund Balances	<u>\$ 10,955,630</u>	<u>\$ 944,741</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 11,900,374</u>

**CLARK PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023**

Total Fund Balances - Governmental Funds (Exhibit B-1) **\$ 9,169,478**

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 the assets is \$63,612,053 and the accumulated depreciation is \$43,072,214. 20,539,839

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 127,498

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and amortized over future years.

Deferred Outflows of Resources	\$ 179,969	
Deferred Inflows of Resources	<u>(1,389,976)</u>	
		(1,210,007)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (12,036)

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

Serial Bonds Payable (including unamortized premium)	(5,260,377)	
Other Fin. Agree., Leases Payable and Interlocal Agree. Payable	(3,098,521)	
Compensated Absences	(716,866)	
Net Pension Liability	<u>(3,470,872)</u>	
		<u>(12,546,636)</u>

Total Net Position of Governmental Activities (Exhibit A-1) **\$ 16,068,136**

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 33,634,320			\$ 1,798,031	\$ 35,432,351
Tuition	2,142,499				2,142,499
Interest	152,153				152,153
Miscellaneous Revenues	<u>3,792</u>	<u>\$ 322,269</u>	-	-	<u>326,061</u>
Total - Local Sources	35,932,764	322,269	-	1,798,031	38,053,064
State Sources	11,355,202	465,885		-	11,821,087
Federal Sources	<u>16,182</u>	<u>1,522,803</u>	-	-	<u>1,538,985</u>
Total Revenues	<u>47,304,148</u>	<u>2,310,957</u>	-	<u>1,798,031</u>	<u>51,413,136</u>
EXPENDITURES					
Instruction					
Regular	22,350,100	105,353			22,455,453
Special Education	5,312,438	554,160			5,866,598
Other Instruction	408,457	116,470			524,927
School-Sponsored Activities and Athletics	1,254,551	295,038			1,549,589
Support Services					
Student and Instruction Related Services	5,688,201	706,193			6,394,394
General Administrative Services	892,178				892,178
School Administrative Services	3,390,970				3,390,970
Central and Other Support Services	496,388				496,388
Plant Operations and Maintenance	4,268,677		\$ 174,514		4,443,191
Pupil Transportation	<u>2,720,903</u>				<u>2,720,903</u>
Debt Service					
Principal	524,914			1,590,000	2,114,914
Interest and Other Charges	-			208,031	208,031
Capital Outlay	<u>576,485</u>	<u>506,512</u>	<u>3,222,003</u>	-	<u>4,305,000</u>
Total Expenditures	<u>47,884,262</u>	<u>2,283,726</u>	<u>3,396,517</u>	<u>1,798,031</u>	<u>55,362,536</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(580,114)</u>	<u>27,231</u>	<u>(3,396,517)</u>	-	<u>(3,949,400)</u>
OTHER FINANCING SOURCES					
Interlocal Cap. Fin. Agree. - Cancelled	-	-	(53,437)	-	(53,437)
Total Other Financing Sources (Uses)	-	-	(53,437)	-	(53,437)
Net Change in Fund Balances	(580,114)	27,231	(3,449,954)	-	(4,002,837)
Fund Balance, Beginning of Year	<u>9,514,666</u>	<u>207,692</u>	<u>3,449,954</u>	<u>3</u>	<u>13,172,315</u>
Fund Balance, End of Year	<u>\$ 8,934,552</u>	<u>\$ 234,923</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 9,169,478</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Total net change in fund balances - governmental funds (Exhibit B-2) \$ (4,002,837)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay and donated assets in the current period.

Capital Outlay	\$ 4,305,000	
Depreciation Expense	<u>(2,249,599)</u>	
		2,055,401

In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Decrease in Compensated Absences	58,617	
Decrease in Pension Expense	<u>864,860</u>	
		923,477

The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of long-term debt uses those current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also, governmental funds report the effect of premiums and other such items related to the refunding bonds when they are issued, whereas these amounts are expensed and or deferred and amortized in the statement of activities.

Principal Repayments		
Serial Bonds	1,590,000	
Other Fin. Agree., Leas. Pay. and Inter Agree. Pay.	524,914	
Principal Issued		
Cancelled Proceeds - Other Fin. Agree.	53,437	
Amortization of Deferred Amounts on Refunding	(74,696)	
Amortization of Bond Premium	<u>52,950</u>	
		2,146,605

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>5,300</u>
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Change in net position of governmental activities (Exhibit A-2) \$ 1,127,946

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food</u>	<u>Before and</u>	
	<u>Service</u>	<u>After School</u>	<u>Totals</u>
		<u>Program</u>	
ASSETS			
Current Assets			
Cash	\$ 864,447	\$ 1,947,773	\$ 2,812,220
Intergovernmental Receivable			
State	478		478
Federal	7,624		7,624
Other Accounts Receivable	3,171		3,171
Inventories	25,124		25,124
Due from Other Funds	<u>28,608</u>	<u>-</u>	<u>28,608</u>
Total Current Assets	<u>929,452</u>	<u>1,947,773</u>	<u>2,877,225</u>
Capital Assets			
Equipment	487,208	18,425	505,633
Less: Accumulated Depreciation	<u>(303,945)</u>	<u>(11,675)</u>	<u>(315,620)</u>
Total Capital Assets, Net	<u>183,263</u>	<u>6,750</u>	<u>190,013</u>
Total Assets	<u>1,112,715</u>	<u>1,954,523</u>	<u>3,067,238</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	154,916	4,110	159,026
Due to Other Funds		22,410	22,410
Unearned Revenue	<u>27,092</u>	<u>-</u>	<u>27,092</u>
Total Current Liabilities	<u>182,008</u>	<u>26,520</u>	<u>208,528</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue	<u>6,646</u>	<u>-</u>	<u>6,646</u>
Total Liabilities and Deferred Inflow of Resources	<u>188,654</u>	<u>26,520</u>	<u>215,174</u>
NET POSITION			
Investment in Capital Assets	183,263	6,750	190,013
Unrestricted	<u>740,798</u>	<u>1,921,253</u>	<u>2,662,051</u>
Total Net Position	<u>\$ 924,061</u>	<u>\$ 1,928,003</u>	<u>\$ 2,852,064</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Before and After School Program</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for Services			
Daily Sales - Reimbursable Programs	\$ 415,243		\$ 415,243
Daily Sales - Non reimbursable Programs	335,376		335,376
Program Fees	-	\$ 568,451	568,451
	<u>750,619</u>	<u>568,451</u>	<u>1,319,070</u>
OPERATING EXPENSES			
Cost of Sales Reimbursable Programs	321,700		321,700
Cost of Sales Non reimbursable Programs	126,222		126,222
Salaries and Employee Benefits	314,221	291,941	606,162
Other Purchased Services	88,192	-	88,192
Purchased Management Services	29,592		29,592
Supplies and Materials	5,796	52,742	58,538
Miscellaneous Expenses	10,385	3,577	13,962
Depreciation Expense	20,166	1,616	21,782
	<u>916,274</u>	<u>349,876</u>	<u>1,266,150</u>
Operating Income/(Loss)	<u>(165,655)</u>	<u>218,575</u>	<u>52,920</u>
NONOPERATING REVENUES			
Interest	11,819	23,668	35,487
State Sources			
School Lunch Program	8,842		8,842
Federal Sources			
National School Lunch Program	140,639		140,639
Supply Chain Assistance	113,525		113,525
Food Distribution Program	72,587	-	72,587
	<u>347,412</u>	<u>23,668</u>	<u>371,080</u>
Change in Net Position	181,757	242,243	424,000
Total Net Position, Beginning of Year	<u>742,304</u>	<u>1,685,760</u>	<u>2,428,064</u>
Total Net Position, End of Year	<u>\$ 924,061</u>	<u>\$ 1,928,003</u>	<u>\$ 2,852,064</u>

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Business-Type Activities - Enterprise Fund

	<u>Food Service</u>	<u>Before and After School Program</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 753,556	\$ 568,451	\$ 1,322,007
Cash Payments for Employees' Salaries and Benefits	(314,221)	(291,941)	(606,162)
Cash Payments to Suppliers for Goods and Services	<u>(503,867)</u>	<u>(180,064)</u>	<u>(683,931)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(64,532)</u>	<u>96,446</u>	<u>31,914</u>
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursement	<u>326,830</u>	<u>-</u>	<u>326,830</u>
Net Cash Provided by Noncapital Financing Activities	<u>326,830</u>	<u>-</u>	<u>326,830</u>
Cash Flows from Investing Activities			
Interest Earnings	<u>11,819</u>	<u>23,668</u>	<u>35,487</u>
Net Cash Provided by Investing Activities	<u>11,819</u>	<u>23,668</u>	<u>35,487</u>
Cash Flows from Capital and Related Financing Activities			
Purchases of Capital Assets	<u>(67,438)</u>	<u>-</u>	<u>(67,438)</u>
Net Cash (Used for) Capital and Related Financing Activities	<u>(67,438)</u>	<u>-</u>	<u>(67,438)</u>
Net Increase in Cash and Cash Equivalents	206,679	120,114	326,793
Cash, Beginning of Year	<u>657,768</u>	<u>1,827,659</u>	<u>2,485,427</u>
Cash, End of Year	<u>\$ 864,447</u>	<u>\$ 1,947,773</u>	<u>\$ 2,812,220</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for)			
Operating Activities			
Operating Income (Loss)	\$ (165,655)	\$ 218,575	\$ 52,920
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Non-Cash Federal Assistance-Food Distribution Program	72,587		72,587
Depreciation Expense	20,166	1,616	21,782
Loss on Disposal of Capital Assets	1,799		1,799
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	(2,578)		(2,578)
(Increase)/Decrease in Inventory	(9,513)		(9,513)
Increase/(Decrease) in Interfund Payable		(127,020)	(127,020)
Increase/(Decrease) in Accounts Payable	8,484	3,275	11,759
Increase/(Decrease) in Unearned Revenue	5,515		5,515
Increase/(Decrease) in Deferred Commodities Revenue	<u>4,663</u>	<u>-</u>	<u>4,663</u>
Total Adjustments	<u>101,123</u>	<u>(122,129)</u>	<u>(21,006)</u>
Net Cash Provided by (Used for) for Operating Activities	<u>\$ (64,532)</u>	<u>\$ 96,446</u>	<u>\$ 31,914</u>
Non-Cash Investing, Capital and Financing Activities			
Value Received - Food Distribution Program	\$ 77,250		\$ 77,250

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

NOTES TO THE FINANCIAL STATEMENTS

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Clark Public School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of ten elected officials (nine (9) members from Clark and one (1) member from Garwood) and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent of Schools to the Board.

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

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

B. New Accounting Standards

During fiscal year 2023, the District adopted the following GASB statements:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

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

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements, grants and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The *before and after school program fund* accounts for the activities of the District's extended before and after school program which provides child care for elementary school students.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for 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.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when 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 Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements, leases payable for intangible right-to-use leased assets and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) 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. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

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

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

3. Inventories

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

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost, except for intangible right-to-use leased assets, the measurement of which is discussed in Note 1. E.8. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	40
Building Improvements	20
Heavy Equipment	5-15
Office Equipment and Furniture	5-15
Computer Equipment	5-6
Right-to-use Leased Equipment	8

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. *Pensions*

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

8. *Leases*

Leases Payable

Non-cancellable leases for the use of another entity's equipment is recognized as a lease liability and an intangible right-to-use lease asset in the district-wide and proprietary fund type financial statements. The District recognizes lease liabilities with an initial, individual value of \$2,000 or more. The lease liability is subsequently reduced by the principal portion of lease payments made each year. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the asset's useful life. Leases are monitored for changes in circumstances that would require a remeasurement of the lease and the lease assets and liabilities are remeasured if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

In the fund financial statements leases payable are recognized as other financing sources at the initial amount of the lease liability. Intangible right-to-use leased assets are reported as capital outlay expenditures.

9. *Financing Agreements*

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

11. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

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

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that is required to be appropriated in the 2024/2025 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that was appropriated in the 2023/2024 original budget certified for taxes.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2C).

CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2D).

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Science Observatory/Donations – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for the Kelemen Science Observatory.

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

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

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

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

12. *Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District has no committed fund balances at year end.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, 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 property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 2021-2022 and 2022-2023 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$737,825 and the special revenue fund by \$402,143. The increases were funded by the additional appropriation of grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

B. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Custodial Services			
Other Purchased Property Services	\$145,284	\$396,496	\$251,212

The above overexpenditure was the result of an audit adjustment and the variance was offset with other available resources.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Balance, July 1, 2022	\$ 913,455
Increased by	
Interest Earnings	<u>10,819</u>
Balance, June 30, 2023	<u>\$ 924,274</u>

D. Maintenance Reserve

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

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

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

Balance, July 1, 2022	\$ 890,714
Increased by	
Interest Earnings	<u>10,549</u>
Balance, June 30, 2023	<u>\$ 901,263</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,023,427.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2023 is \$5,320,770. Of this amount, \$3,120,638 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$2,200,132 will be appropriated in the 2024/2025 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$13,967,417 and bank and brokerage firm balances of the Board's deposits amounted to \$14,710,736. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	\$ 14,126,647
Uninsured and Uncollateralized	<u>584,089</u>
	<u>\$ 14,710,736</u>

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2023 the Board’s bank balance of \$584,089 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name \$ 584,089

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law,” (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2023, the Board had no outstanding investments.

B. Receivables

Receivables as of June 30, 2023 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Receivables:				
Intergovernmental:				
State	\$ 153,348	\$ 2,354	\$ 478	\$ 156,180
Federal		566,705	7,624	574,329
Other	360		-	360
Other Accounts Receivable	-	-	3,171	3,171
Gross Receivables	153,708	569,059	11,273	734,040
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 153,708</u>	<u>\$ 569,059</u>	<u>\$ 11,273</u>	<u>\$ 734,040</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 7,125
Grant Draw Downs Reserved for Encumbrances	<u>514,634</u>
 Total Deferred Revenue for Governmental Funds	 <u>\$ 521,759</u>

D. Capital Assets

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

	Balance <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,808,965			\$ 1,808,965
Construction in Progress	<u>43,921</u>	\$ 3,728,515	-	<u>3,772,436</u>
Total Capital Assets, Not Being Depreciated	<u>1,852,886</u>	<u>3,728,515</u>	-	<u>5,581,401</u>
 Capital Assets, Being Depreciated:				
Site Improvements	3,382,243	61,460		3,443,703
Buildings and Improvements	48,954,396	284,934		49,239,330
Machinery and Equipment	4,709,837	230,091	-	4,939,928
Right-to-use Leased Equipment	<u>407,691</u>	-	-	<u>407,691</u>
Total Capital Assets Being Depreciated	<u>57,454,167</u>	<u>576,485</u>	-	<u>58,030,652</u>
 Less Accumulated Depreciation for:				
Site Improvements	(1,959,682)	(128,995)	-	(2,088,677)
Buildings and Improvements	(35,066,120)	(1,942,120)	-	(37,008,240)
Machinery and Equipment	(3,771,333)	(127,522)	-	(3,898,855)
Right-to-use Leased Equipment	<u>(25,480)</u>	<u>(50,962)</u>	-	<u>(76,442)</u>
Total Accumulated Depreciation	<u>(40,822,615)</u>	<u>(2,249,599)</u>	-	<u>(43,072,214)</u>
 Total Capital Assets, Being Depreciated, Net	 <u>16,631,552</u>	 <u>(1,673,114)</u>	 -	 <u>14,958,438</u>
 Government Activities Capital Assets, Net	 <u>\$ 18,484,438</u>	 <u>\$ 2,055,401</u>	 <u>\$ -</u>	 <u>\$ 20,539,839</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Business-Type Activities:

Capital Assets, Being Depreciated:

Machinery and Equipment	\$ 450,086	\$ 67,438	\$ (11,891)	\$ 505,633
Total Capital Assets Being Depreciated	<u>450,086</u>	<u>67,438</u>	<u>(11,891)</u>	<u>505,633</u>

Less Accumulated Depreciation for:

Machinery and Equipment	<u>(303,930)</u>	<u>(21,782)</u>	<u>10,092</u>	<u>(315,620)</u>
Total Accumulated Depreciation	<u>(303,930)</u>	<u>(21,782)</u>	<u>10,092</u>	<u>(315,620)</u>

Total Capital Assets, Being Depreciated, Net	<u>146,156</u>	<u>45,656</u>	<u>(1,799)</u>	<u>190,013</u>
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Business-Type Activities Capital Assets, Net	<u>\$ 146,156</u>	<u>\$ 45,656</u>	<u>\$ (1,799)</u>	<u>\$ 190,013</u>
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Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction

Regular	\$ 2,170,098
Total Instruction	<u>2,170,098</u>

Support Services

Student and Instruction Related Services	15,392
General Administrative Services	338
School Administrative Services	485
Central and Other Support Services	8,739
Plant Operations and Maintenance	<u>54,547</u>

Total Support Services	<u>79,501</u>
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Total Depreciation Expense - Governmental Activities	<u>\$ 2,249,599</u>
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Business-Type Activities:

Food Service Fund	\$ 20,166
Before and After School Program Fund	<u>1,616</u>

Total Depreciation Expense-Business-Type Activities	<u>\$ 21,782</u>
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**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Before and After School Program Fund	\$ 22,410
Food Service Fund	General Fund	<u>28,608</u>
 Total		 <u>\$ 51,018</u>

The above balances are the result of revenues earned in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund.

The District expects all interfund balances to be liquidated within one year.

F. Leases

Leases Payable

On July 14, 2021, the District entered into a four year lease agreement as lessee for the use of 9 copiers. An initial lease liability was recorded in the amount of \$382,837. The District is required to make monthly payments of \$7,976. In addition, the District has the option to purchase the equipment for the fair market value at the end of the lease term. As of June 30, 2023 the value of the lease liability was \$255,225. The equipment has a four year estimated useful life. The value of the right -to-use asset as of June 30, 2023 is \$311,055 and had accumulated depreciation of \$71,782.

On August 24, 2021, the District entered into a five year lease agreement as lessee for the use of 5 postage meters. An initial lease liability was recorded in the amount of \$24,854. The District is required to make monthly payments of \$414. As of June 30, 2023 the value of the lease liability was \$14,912. The equipment has a five year estimated useful life. The value of the right -to-use asset as of June 30, 2023 is \$20,194 and had accumulated depreciation of \$3,107.

The future principal and interest lease payments as of June 30, 2023 are as follows:

Governmental Activities:

<u>Ending June 30,</u>	<u>Total</u>
2024	\$ 100,680
2025	100,680
2026	<u>68,777</u>
 Total	 <u>\$ 270,137</u>

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements

Interlocal Capital Financing Agreements

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

Interlocal capital financing agreements at June 30, 2023 are comprised of the following:

\$3,440,438, fiscal year 2022 Agreement for the construction of artificial turf fields for a term of 10 years due in annual principal installments of \$343,450 through August 1, 2031 \$ 2,747,600

Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

Other financing agreements at June 30, 2023 are comprised of the following:

\$242,352, Fiscal year 2022 Agreement for the purchase of 230 MAC Books for a term of 3 years due in an annual principal installment of \$80,784 through July 26, 2023 \$ 80,784

The maturity schedule of the remaining capital and other financing agreement payments for principal and interest is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	<u>Interlocal Capital Agreements</u> Principal	<u>Other Agreements</u> Principal	<u>Total</u>
2024	\$ 343,450	\$ 80,784	\$ 424,234
2025	343,450		343,450
2026	343,450		343,450
2027	343,450		343,450
2028	343,450		343,450
2029-2031	<u>1,030,350</u>	<u>-</u>	<u>1,030,350</u>
Total	<u>\$ 2,747,600</u>	<u>\$ 80,784</u>	<u>\$ 2,828,384</u>

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2023 are comprised of the following issues:

\$14,145,000, 2012 Bonds, due in annual installments of \$1,705,000 to \$1,755,000 through June 1, 2026, interest at 2.63% to 3.00% \$5,170,000

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,705,000	\$ 144,431	\$ 1,849,431
2025	1,710,000	99,676	1,809,676
2026	<u>1,755,000</u>	<u>52,650</u>	<u>1,807,650</u>
	<u>\$ 5,170,000</u>	<u>\$ 296,757</u>	<u>\$ 5,466,757</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2023 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 123,474,662
Less: Net Debt	<u>5,170,000</u>
Remaining Borrowing Power	<u>\$ 118,304,662</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Cancelled	Ending Balance	Due Within One Year
Governmental Activities:						
Bonds Payable	\$ 6,760,000		\$ 1,590,000		\$ 5,170,000	\$ 1,705,000
Add: Original Issue Premium	143,327	-	52,950	-	90,377	-
Total Bonds Payable	6,903,327	-	1,642,950	-	5,260,377	1,705,000
Interlocal Capital Financing Agreement	3,144,487		343,450	\$ 53,437	2,747,600	343,450
Other Financing Agreements	161,568		80,784		80,784	80,784
Leases Payable	370,817		100,680		270,137	100,680
Compensated Absences	775,483		58,617		716,866	
Net Pension Liability	2,946,754	\$ 1,388,978	864,860	-	3,470,872	-
Governmental Activity Long-Term Liabilities	\$ 14,302,436	\$ 1,388,978	\$ 3,091,341	\$ 53,437	\$ 12,546,636	\$ 2,229,914

For the governmental activities, the liabilities for interlocal capital financing agreement, other financing agreements, lease payable, compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2023 the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees’ Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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:

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

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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 represent 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

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

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

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

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

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Amendments

The authority to amend the provisions of the above plans rests with legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2022 is \$15.2 billion and the plan fiduciary net position as a percentage of the total pension liability is 62.91% . The collective net pension liability of the State funded TPAF at June 30, 2022 is \$51.7 billion and the plan fiduciary net position as a percentage of total pension liability is 32.29%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the July 1, 2021 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2023.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2023 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2023, 2022 and 2021 were equal to the required contributions.

During the fiscal years ended June 30, 2023, 2022 and 2021 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2023	\$ 290,029	\$ 5,802,437	\$ 29,348
2022	291,309	5,931,689	25,636
2021	295,300	4,359,908	28,230

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$1,934, \$1,890 and \$2,195, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,220,385 during the fiscal year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2021 through June 30, 2022. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits ("Division") administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2022 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2022.

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$3,470,872 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2022. At June 30, 2022, the District's proportionate share was .02300 percent, which was a decrease of .00187 percent from its proportionate share measured as of June 30, 2021 of .02487 percent.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$574,831 for PERS. The pension contribution made by the District during the current 2022/2023 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 25,051	\$ 22,092
Changes of Assumptions	10,754	519,727
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	143,656	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>508</u>	<u>848,157</u>
Total	<u>\$ 179,969</u>	<u>\$ 1,389,976</u>

At June 30, 2023, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (632,115)
2024	(415,750)
2025	(249,220)
2026	90,314
2027	(3,236)
Thereafter	<u>-</u>
	<u>\$ (1,210,007)</u>

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District’s 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.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans 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 the PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

The following presents the District’s proportionate share of the PERS net pension liability calculated using the discount rate of 7.00 percent, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 4,459,054</u>	<u>\$ 3,470,872</u>	<u>\$ 2,629,890</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2022. A sensitivity analysis specific to the District’s net pension liability at June 30, 2022 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2021 through June 30, 2022. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. 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. For the fiscal year ended June 30, 2022, the State's pension contribution was more than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,972,926 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$73,308,109. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was .14209 percent, which was a decrease of .00266 percent from its proportionate share measured as of June 30, 2021 of .14475 percent.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

Discount Rate

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

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

The following presents the State’s proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 7.00%, as well as what the State’s proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 85,955,316</u>	<u>\$ 73,308,109</u>	<u>\$ 62,654,427</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2022. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2022 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS, the Police and Firemen Retirement System (PFRS) or Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

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 State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2021:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>151,669</u>
Total	<u>364,817</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2022 is \$50.6 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2022 were determined based on actuarial valuations as of June 30, 2021 which were rolled forward to June 30, 2022.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2021 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.33 billion to the OPEB plan in fiscal year 2022.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$1,524,286, \$1,385,882 and \$1,343,763, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,408,914. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the OPEB liability attributable to the District is \$66,420,616. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state's share of the OPEB liability attributable to the District was .13115 percent, which was an increase of .01361 percent from its proportionate share measured as of June 30, 2021 of .11754 percent.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions

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

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55%	2.75% to 4.25%
	Based on Years of Service	Based on Years of Service

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) 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 “General” (PERS) and “Teachers” (TPAF) 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 and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the plan upon retirement.

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 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Changes in the Total OPEB Liability

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2021 Measurement Date	\$ <u>79,701,576</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,471,090
Interest on the Total OPEB Liability	1,760,220
Differences Between Expected and Actual Experience	993,272
Changes of Assumptions	(17,817,926)
Gross Benefit Payments	(1,743,550)
Contributions from the Member	55,934
Net Changes	\$ <u>(13,280,960)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>66,420,616</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

The change in the total OPEB liability was based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.54%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54% percent) or 1-percentage-point higher (4.54% percent) than the current rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>78,070,447</u>	\$ <u>66,420,616</u>	\$ <u>57,083,859</u>

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
State's Proportionate Share of the OPEB Liability			
Attributable to the District	\$ <u>54,900,699</u>	\$ <u>66,420,616</u>	\$ <u>81,552,727</u>

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022 were not provided by the pension system.

F. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), 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 school tax revenue 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 Clark Public School District, the District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS (Continued)

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$2,344,137 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGET COMPARISON SCHEDULES

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 33,634,320		\$ 33,634,320	\$ 33,634,320	
Tuition - Other LEA's Within State - Regular	1,619,276		1,619,276	1,619,276	
Tuition - Other LEA's Within State - Special	523,223		523,223	523,223	
Rents	10,000		10,000	981	\$ (9,019)
Miscellaneous Revenues	10,000		10,000	2,811	(7,189)
Interest	-		-	130,785	130,785
Interest on Maintenance Reserve	2,000		2,000	10,549	8,549
Interest on Capital Reserve Funds	2,000	-	2,000	10,819	8,819
Total Local Sources	<u>35,800,819</u>	<u>-</u>	<u>35,800,819</u>	<u>35,932,764</u>	<u>131,945</u>
State Sources					
Special Education Aid	2,076,427		2,076,427	2,076,427	-
Security Aid	55,181		55,181	55,181	-
Transportation Aid	256,592		256,592	256,592	-
NP Transportation Aid			-	30,264	30,264
Extraordinary Aid	100,000		100,000	400,723	300,723
Other State Aid		-	-	6,002	6,002
TPAF Pension Benefit Contribution - (Non-Budget)				5,723,036	5,723,036
TPAF Pension - NCGI Premium (Non-Budget)				79,401	79,401
TPAF Long-Term Disability Insurance				1,934	1,934
TPAF Post Retirement Medical Contribution (Non-Budget)				1,524,286	1,524,286
TPAF Social Security Contributions (Non-Budget)	-	-	-	1,220,385	1,220,385
Total State Sources	<u>2,488,200</u>	<u>-</u>	<u>2,488,200</u>	<u>11,374,231</u>	<u>8,886,031</u>
Federal Sources					
Medicaid Reimbursement	28,268	-	28,268	14,696	(13,572)
Medicaid Reimbursement - FFCRA CARES	-	-	-	1,486	1,486
Total Federal Sources	<u>28,268</u>	<u>-</u>	<u>28,268</u>	<u>16,182</u>	<u>(12,086)</u>
Total Revenues	<u>38,317,287</u>	<u>-</u>	<u>38,317,287</u>	<u>47,323,177</u>	<u>9,005,890</u>
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	484,573	\$ (427)	484,146	484,146	-
Grades 1-5	3,515,488	343,362	3,858,850	3,836,450	22,400
Grades 6-8	2,533,950	(49,451)	2,484,499	2,484,499	-
Grades 9-12	4,592,578	(144,634)	4,447,944	4,447,944	-
Regular Programs - Home Instruction					
Salaries of Teachers	75,000	(58,340)	16,660	16,660	-
Purchased Professional/Educational Services		27,727	27,727	27,727	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	382,799	96,324	479,123	479,123	-
Purchased Professional/Educational Services	669,600	(20,336)	649,264	646,728	2,536
Other Purchased Services	65,496	(13,571)	51,925	40,928	10,997
General Supplies	311,620	(7,992)	303,628	290,309	13,319
General Supplies (Nonbudgeted - Lease Purchase)				-	-
Textbooks	175,528	(67,657)	107,871	107,485	386
Other Objects	90,058	759	90,817	89,331	1,486
Total Regular Programs	<u>12,896,690</u>	<u>105,764</u>	<u>13,002,454</u>	<u>12,951,330</u>	<u>51,124</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 267,799	\$ 48,827	\$ 316,626	\$ 316,626	
Other Salaries for Instruction	101,257	(13,670)	87,587	87,587	
Purchased Professional/Educational Services	759	-	759	219	\$ 540
General Supplies	3,495	(2,640)	855	855	-
Other Objects	18,464	(17,375)	1,089	1,089	-
Total Learning and/or Language Disabilities	<u>391,774</u>	<u>15,142</u>	<u>406,916</u>	<u>406,376</u>	<u>540</u>
Multiple Disabilities					
Salaries of Teachers	65,894	13,388	79,282	79,282	-
Other Salaries for Instruction	37,492	(20,943)	16,549	16,549	-
General Supplies	25,475	(25,255)	220	220	-
Total Multiple Disabilities	<u>128,861</u>	<u>(32,810)</u>	<u>96,051</u>	<u>96,051</u>	<u>-</u>
Emotional Regulation Impairment					
Salaries of Teachers	66,563	(3,852)	62,711	62,317	394
Other Salaries for Instruction	20,152	(19,163)	989	-	989
General Supplies	24,895	651	25,546	(1,164)	26,710
Total Behavioral Disabilities	<u>111,610</u>	<u>(22,364)</u>	<u>89,246</u>	<u>61,153</u>	<u>28,093</u>
Resource Room/Resource Center					
Salaries of Teachers	1,824,099	(190,213)	1,633,886	1,396,427	237,459
Other Salaries for Instruction	330,337	-	330,337	180,645	149,692
Purchased Professional/Educational Services	3,660	-	3,660	-	3,660
General Supplies	6,021	-	6,021	2,056	3,965
Textbooks	5,518	-	5,518	-	5,518
Total Resource Room/Resource Center	<u>2,169,635</u>	<u>(190,213)</u>	<u>1,979,422</u>	<u>1,579,128</u>	<u>400,294</u>
Preschool Disabilities - Part-Time					
Salaries of Teachers	121,457	23,296	144,753	107,628	37,125
Other Salaries for Instruction	58,991	(58,991)	-	-	-
General Supplies	1,190	-	1,190	695	495
Total Preschool Disabilities - Part-Time	<u>181,638</u>	<u>(35,695)</u>	<u>145,943</u>	<u>108,323</u>	<u>37,620</u>
Total Special Education	<u>2,983,518</u>	<u>(265,940)</u>	<u>2,717,578</u>	<u>2,251,031</u>	<u>466,547</u>
Basic Skills/Remedial					
Salaries of Teachers	315,487	(70,547)	244,940	120,089	124,851
Total Basic Skills/Remedial	<u>315,487</u>	<u>(70,547)</u>	<u>244,940</u>	<u>120,089</u>	<u>124,851</u>
Bilingual Education					
Salaries of Teachers	90,813	-	90,813	89,136	1,677
Total Bilingual Education	<u>90,813</u>	<u>-</u>	<u>90,813</u>	<u>89,136</u>	<u>1,677</u>
School Sponsored Co-Curricular Activities					
Salaries	227,242	44,898	272,140	272,140	-
Supplies & Materials	81,540	16,888	98,428	85,861	12,567
Other Objects	49,382	(10,666)	38,716	33,608	5,108
Total School Sponsored Co-Curricular Activities	<u>358,164</u>	<u>51,120</u>	<u>409,284</u>	<u>391,609</u>	<u>17,675</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
School Sponsored Athletics					
Salaries	\$ 334,076	\$ 14,504	\$ 348,580	\$ 348,580	
Purchased Services	88,581	31,384	119,965	119,965	
Supplies and Materials	108,704	3,918	112,622	81,202	\$ 31,420
Other Objects	50,715	1,198	51,913	50,277	1,636
Total School Sponsored Athletics	<u>582,076</u>	<u>51,004</u>	<u>633,080</u>	<u>600,024</u>	<u>33,056</u>
Total Instruction	<u>17,226,748</u>	<u>(128,599)</u>	<u>17,098,149</u>	<u>16,403,219</u>	<u>694,930</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	795,743	(152,125)	643,618	554,813	88,805
Tuition to County Voc. School Dist.-Regular	792,500	(35,719)	756,781	663,152	93,629
Tuition to County Voc. School Dist.- Special	40,000	(33,330)	6,670		6,670
Tuition to APSSD Within the State	872,302	23,718	896,020	882,714	13,306
Total Undistributed Expenditures - Instruction	<u>2,500,545</u>	<u>(197,456)</u>	<u>2,303,089</u>	<u>2,100,679</u>	<u>202,410</u>
Attendance and Social Work					
Salaries	37,810	(1,620)	36,190	34,718	1,472
Total Attendance and Social Work	<u>37,810</u>	<u>(1,620)</u>	<u>36,190</u>	<u>34,718</u>	<u>1,472</u>
Health Services					
Salaries	310,415	8,475	318,890	318,834	56
Purchased Professional and Technical Services	27,948	(3,905)	24,043	23,423	620
Supplies and Materials	7,834	243	8,077	7,674	403
Other Objects	2,040	-	2,040	1,711	329
Total Health Services	<u>348,237</u>	<u>4,813</u>	<u>353,050</u>	<u>351,642</u>	<u>1,408</u>
Other Support Serv. Students - Speech, OT, PT & Related Serv.					
Salaries	338,317	1,141	339,458	336,144	3,314
Purchased Professional/Educational Services	149,037	22,428	171,465	155,449	16,016
Supplies and Materials	6,559	(4,116)	2,443	2,443	-
Total Other Supp.Serv. Student - Speech, OT, PT, & Related Serv. Speech, OT, PT, & Related Serv.	<u>493,913</u>	<u>19,453</u>	<u>513,366</u>	<u>494,036</u>	<u>19,330</u>
Other Support Services - Students - Extra Serv.					
Salaries	479,143	201,789	680,932	680,932	-
Total Other Supp.Serv. Student - Extra Serv.	<u>479,143</u>	<u>201,789</u>	<u>680,932</u>	<u>680,932</u>	<u>-</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	729,570	(84,899)	644,671	548,455	96,216
Salaries of Secretarial & Clerical Assistants	110,882	2,707	113,589	112,367	1,222
Other Purchased Services	80,829	(16,703)	64,126	56,598	7,528
Supplies and Materials	10,493	(639)	9,854	6,429	3,425
Other Objects	-	19,124	19,124	(112)	19,236
Total Other Support Services - Students - Guidance	<u>931,774</u>	<u>(80,410)</u>	<u>851,364</u>	<u>723,737</u>	<u>127,627</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Other Support Services - Students - Child Study Team					
Salaries of Other Professional Staff	\$ 1,006,701	\$ (125,071)	\$ 881,630	\$ 846,487	\$ 35,143
Salaries of Secretarial & Clerical Assistants	139,045	(320)	138,725	136,595	2,130
Other Salaries	75,000	30,588	105,588	105,588	-
Purchased Professional-Educational Services	48,871	194,998	243,869	243,869	-
Other Purchased Services	1,816	2,664	4,480	3,998	482
Supplies and Materials	9,285	(4,928)	4,357	1,829	2,528
	<u>1,280,718</u>	<u>97,931</u>	<u>1,378,649</u>	<u>1,338,366</u>	<u>40,283</u>
Total Other Support Services - Students - Child Study Team					
Improvement of Instructional Services					
Salaries of Other Professional Staff	80,000	-	80,000	34,442	45,558
Other Purchased Services	21,500	-	21,500	21,000	500
Supplies and Materials	142,450	(46,330)	96,120	23,724	72,396
Other Objects	21,446	-	21,446	5,565	15,881
	<u>265,396</u>	<u>(46,330)</u>	<u>219,066</u>	<u>84,731</u>	<u>134,335</u>
Total Improvement of Instructional Services					
Educational Media/School Library					
Salaries	61,924	-	61,924	24,927	36,997
Supplies and Materials	46,749	-	46,749	42,088	4,661
	<u>108,673</u>	<u>-</u>	<u>108,673</u>	<u>67,015</u>	<u>41,658</u>
Total Educational Media/School Library					
Instructional Staff Training Services					
Purchased Professional-Educational Services	44,650	(2,528)	42,122	35,406	6,716
Other Objects	34,839	2,608	37,447	32,407	5,040
	<u>79,489</u>	<u>80</u>	<u>79,569</u>	<u>67,813</u>	<u>11,756</u>
Total Instructional Staff Training Services					
Support Services General Administration					
Salaries	320,296	580	320,876	320,845	31
Legal Services	40,000	26,892	66,892	66,892	-
Audit Fees	45,767	(4,502)	41,265	41,265	-
Architectural/Engineering Services	10,000	(6,000)	4,000	4,000	-
Miscellaneous Purchased Services	74,995	(27,233)	47,762	47,482	280
Communications/Telephone	161,100	(112)	160,988	122,221	38,767
General Supplies	10,000	(4,385)	5,615	5,480	135
Miscellaneous Expenditures	14,262	(3,245)	11,017	10,503	514
BOE Membership Dues and Fees	40,245	(17,126)	23,119	23,119	-
	<u>716,665</u>	<u>(35,131)</u>	<u>681,534</u>	<u>641,807</u>	<u>39,727</u>
Total Support Services General Administration					
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog Director	905,359	62,707	968,066	968,066	-
Salaries of Other Professional Staff	705,563	31,930	737,493	737,493	-
Salaries of Secretarial and Clerical Assistants	201,928	65,494	267,422	267,422	-
Supplies and Materials	26,961	(22,731)	4,230	4,230	-
Other Objects	9,684	(7,172)	2,512	2,312	200
	<u>1,849,495</u>	<u>130,228</u>	<u>1,979,723</u>	<u>1,979,523</u>	<u>200</u>
Total Support Services School Administration					

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures - Central Services					
Salaries	\$ 160,921	\$ (4,207)	\$ 156,714	\$ 156,714	-
Salaries - Other	189,318	(494)	188,824	188,824	-
Misc. Purchased Services	500		500	205	\$ 295
Supplies and Materials	7,500	(6,575)	925	925	-
Miscellaneous Expenditures	3,948	(292)	3,656	3,361	295
Total Undistributed Expenditures - Central Services	<u>362,187</u>	<u>(11,568)</u>	<u>350,619</u>	<u>350,029</u>	<u>590</u>
Required Maintenance for School Facilities					
Salaries	246,408	24,582	270,990	270,990	-
Cleaning, Repair and Maintenance Services	312,716	(981)	311,735	309,930	1,805
General Supplies	72,146	(51,668)	20,478	16,682	3,796
Total Required Maintenance for School Facilities	<u>631,270</u>	<u>(28,067)</u>	<u>603,203</u>	<u>597,602</u>	<u>5,601</u>
Custodial Services					
Salaries	415,893	(78,274)	337,619	331,829	5,790
Salaries of Non-Instructional Aides	219,160	(2,572)	216,588	133,994	82,594
Purchased Professional-Technical Services	26,510	(11,578)	14,932	8,738	6,194
Cleaning, Repair and Maintenance Services	1,075,474	108,164	1,183,638	1,179,802	3,836
Rentals	102,112	-	102,112	101,986	126
Other Purchased Property Services	145,000	284	145,284	396,496	(251,212)
Insurance	312,104	12,065	324,169	320,757	3,412
General Supplies	97,000	124,845	221,845	196,857	24,988
Energy (Natural Gas)	181,913	29,688	211,601	211,601	-
Energy (Electricity)	300,000	9,288	309,288	276,298	32,990
Other Objects	10,000	-	10,000	1,746	8,254
Total Custodial Services	<u>2,885,166</u>	<u>191,910</u>	<u>3,077,076</u>	<u>3,160,104</u>	<u>(83,028)</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	50,800	531	51,331	24,482	26,849
General Supplies	25,000	-	25,000	8,478	16,522
Total Care and Upkeep of Grounds	<u>75,800</u>	<u>531</u>	<u>76,331</u>	<u>32,960</u>	<u>43,371</u>
Security					
Salaries	217,343	146,749	364,092	364,092	-
Purchased Professional and Technical Services	226,429	(163,006)	63,423	22,188	41,235
General Supplies	15,450	-	15,450	7,028	8,422
Total Security	<u>459,222</u>	<u>(16,257)</u>	<u>442,965</u>	<u>393,308</u>	<u>49,657</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	44,482	-	44,482	-	44,482
Salaries for Pupil Trans. (Bet Home & School) - Spe Ed	97,828	-	97,828	42,589	55,239
Salaries for Pupil Trans. (Bet Home & School) - Nonpublic	-	-	-	-	-
Contracted Services - Aid in Lieu of Payments-Nonpublic Schools	75,000	12,500	87,500	86,000	1,500
Contracted Services (Between Home and School) - Vendors	712,400	172,387	884,787	884,787	-
Contracted Services (Other Than Btwn Home and School) - Vendors	186,321	73,490	259,811	251,746	8,065
Contracted Services (Special Ed Students) - Vendors	1,323,280	112,042	1,435,322	1,435,322	-
Contracted Services - (Regular Students) - ESCs & CTSA	25,000	(19,732)	5,268	-	5,268
Misc. Purchased Services-Transportation	35,000	(30,214)	4,786	4,786	-
General Supplies	30,000	(3,610)	26,390	15,673	10,717
Total Student Transportation Services	<u>2,529,311</u>	<u>316,863</u>	<u>2,846,174</u>	<u>2,720,903</u>	<u>125,271</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Unallocated Benefits- Employee Benefits					
Social Security Contributions	\$ 450,000	\$ (956)	\$ 449,044	\$ 449,044	-
Other Retirement Contributions - PERS	350,000	-	350,000	319,452	\$ 30,548
Unemployment Compensation	90,000	590	90,590	90,322	268
Workmen's Compensation	190,000	-	190,000	171,302	18,698
Health Benefits	5,628,279	62,245	5,690,524	5,208,838	481,686
Other Employee Benefits	280,000	(148,933)	131,067	131,067	-
Total Unallocated Benefits	<u>6,988,279</u>	<u>(87,054)</u>	<u>6,901,225</u>	<u>6,370,025</u>	<u>531,200</u>
Interest Earned on Maintenance Reserve	2,000	-	2,000	-	2,000
Total Adjustments Maintenance Reserve	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
On-Behalf (Non-Budget)					
TPAF Pension Benefit Contribution - (Non-Budget)				5,723,036	(5,723,036)
TPAF Pension - NCGI Premium (Non-Budget)				79,401	(79,401)
TPAF Long-Term Disability Insurance				1,934	(1,934)
TPAF Post Retirement Medical Contribution (Non-Budget)				1,524,286	(1,524,286)
TPAF Social Security Contributions (Non-Budget)	-	-	-	1,220,385	(1,220,385)
Total On-Behalf	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,549,042</u>	<u>(8,549,042)</u>
Total Undistributed Expenditures	<u>23,025,093</u>	<u>459,705</u>	<u>23,484,798</u>	<u>30,738,972</u>	<u>(7,254,174)</u>
Total Current Expenditures	<u>40,251,841</u>	<u>331,106</u>	<u>40,582,947</u>	<u>47,142,191</u>	<u>(6,559,244)</u>
CAPITAL OUTLAY					
Equipment					
Grades 1 - 5		61,272	61,272	61,272	-
School-Sponsored and Other Instructional Programs		12,916	12,916	12,916	-
Admin. Info Tech	70,000	-	70,000	57,798	12,202
Custodial Services	-	91,024	91,024	85,674	5,350
Security - Grant	6,600	-	6,600	4,341	2,259
Total Equipment	<u>76,600</u>	<u>165,212</u>	<u>241,812</u>	<u>222,001</u>	<u>19,811</u>
Facilities Acquisition and Construction Services					
Other Purchased Prof. and Tech. Services	400,000	(94,781)	305,219	53,767	251,452
Construction Services	-	340,231	340,231	340,231	-
Assessment for Debt Service on SDA Funding	119,442	-	119,442	119,442	-
Total Facilities Acquisition and Construction Services	<u>519,442</u>	<u>245,450</u>	<u>764,892</u>	<u>513,440</u>	<u>251,452</u>
Interest Deposit to Capital Reserve	2,000	-	2,000	-	2,000
Total Adjustments Capital Reserve	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total Capital Outlay	<u>598,042</u>	<u>410,662</u>	<u>1,008,704</u>	<u>735,441</u>	<u>273,263</u>
CHARTER SCHOOLS					
Transfer of Funds to Charter School	14,299	(3,943)	10,356	6,630	3,726
Total General Fund	<u>40,864,182</u>	<u>737,825</u>	<u>41,602,007</u>	<u>47,884,262</u>	<u>(6,282,255)</u>

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under)					
Expenditures	\$ (2,546,895)	\$ (737,825)	\$ (3,284,720)	\$ (561,085)	\$ 2,723,635
Fund Balance, Beginning of Year	10,123,235	-	10,123,235	10,123,235	-
Fund Balance, End of Year	\$ 7,576,340	\$ (737,825)	\$ 6,838,515	\$ 9,562,150	\$ 2,723,635
Recapitulation:					
Restricted Fund Balance					
Excess Surplus				\$ 2,200,132	
Excess Surplus - Designated for Subsequent Year's Expenditures				3,120,638	
Capital Reserve				924,274	
Maintenance Reserve				901,263	
Assigned Fund Balance					
Year End Encumbrances				201,728	
Designated for Subsequent Year's Expenditures				1,096,424	
Unassigned Fund Balance				1,117,691	
Fund Balance- Budgetary Basis				9,562,150	
Less: State Aid Revenue not recognized on GAAP basis				(627,598)	
Fund Balance per Governmental Funds Statements (GAAP)				\$ 8,934,552	

**CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 557,207	\$ 95,250	\$ 652,457	\$ 475,360	\$ (177,097)
Federal	2,629,599	171,855	2,801,454	1,760,858	(1,040,596)
Local					
Miscellaneous	<u>160,000</u>	<u>135,038</u>	<u>295,038</u>	<u>322,269</u>	<u>27,231</u>
Total Revenues	<u>3,346,806</u>	<u>402,143</u>	<u>3,748,949</u>	<u>2,558,487</u>	<u>(1,190,462)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	230,621	-	230,621	150,621	80,000
Purchased Professional/Educational Services	106,395	95,250	201,645	-	201,645
Tuition	491,062	-	491,062	473,164	17,898
General Supplies	92,661	19,409	112,070	65,982	46,088
Textbooks	34,188	-	34,188	34,146	42
Other Objects	5,365	-	5,365	1,935	3,430
Cocurricular Activities	<u>160,000</u>	<u>135,038</u>	<u>295,038</u>	<u>295,038</u>	<u>-</u>
Total Instruction	<u>1,120,292</u>	<u>249,697</u>	<u>1,369,989</u>	<u>1,020,886</u>	<u>349,103</u>
Support Services					
Salaries	61,591	-	61,591	30,557	31,034
Purchased Professional/Educational Services	512,663	-	512,663	434,561	78,102
Other Purchased Services	295,538	26,946	322,484	89,867	232,617
Supplies and Materials	<u>330</u>	<u>-</u>	<u>330</u>	<u>-</u>	<u>330</u>
Total Support Services	<u>870,122</u>	<u>26,946</u>	<u>897,068</u>	<u>554,985</u>	<u>342,083</u>
Unallocated Benefits					
Employee Benefits	<u>74,879</u>	<u>-</u>	<u>74,879</u>	<u>60,914</u>	<u>13,965</u>
Capital Outlay					
Instructional Equipment		-		-	-
Noninstructional Equipment	<u>1,281,513</u>	<u>125,500</u>	<u>1,407,013</u>	<u>894,471</u>	<u>512,542</u>
Total Capital Outlay	<u>1,281,513</u>	<u>125,500</u>	<u>1,407,013</u>	<u>894,471</u>	<u>512,542</u>
Total Expenditures	<u>3,346,806</u>	<u>402,143</u>	<u>3,748,949</u>	<u>2,531,256</u>	<u>1,217,693</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-		-	27,231	27,231
Fund Balances, Beginning of Year	<u>207,692</u>	<u>-</u>	<u>207,692</u>	<u>207,692</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 207,692</u>	<u>\$ -</u>	<u>\$ 207,692</u>	<u>\$ 234,923</u>	<u>\$ 27,231</u>
Recapitulation of Fund Balance					
Restricted Fund Balances					
Student Activity				\$ 206,206	
Science Observatory/Donations				<u>28,717</u>	
				<u>\$ 234,923</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of 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 following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	\$ 47,323,177	\$ 2,558,487
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances June 30, 2023		(514,634)
Encumbrances June 30, 2022		267,104
State Aid payment not recognized for budgetary purposes, recognized for GAAP statements. 2021/2022 State Aid	608,569	
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements. 2022/2023 State Aid	<u>(627,598)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 47,304,148</u>	<u>\$ 2,310,957</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 47,884,262	\$ 2,531,256
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances June 30, 2023		(514,634)
Encumbrances June 30, 2022	<u>-</u>	<u>267,104</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 47,884,262</u>	<u>\$ 2,283,726</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III
PENSION AND OTHER POST EMPLOYMENT BENEFIT INFORMATION

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
Public Employees Retirement System**

Last Ten Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.02300%	0.02487%	0.02699%	0.02939%	0.03042%	0.03040%	0.03113%	0.03291%	0.03286%	0.03257%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,470,872	\$ 2,946,754	\$ 4,402,004	\$ 5,295,500	\$ 5,990,324	\$ 7,077,525	\$ 9,220,197	\$ 7,386,520	\$ 6,152,107	\$ 6,741,273
District's Covered Payroll	\$ 1,794,791	\$ 1,704,723	\$ 1,875,443	\$ 1,986,256	\$ 2,039,825	\$ 2,129,762	\$ 2,062,445	\$ 2,050,030	\$ 2,201,638	\$ 2,186,439
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	193.39%	172.86%	234.72%	266.61%	293.67%	332.32%	447.05%	360.31%	279.43%	308.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Ten Fiscal Years

	<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>
Contractually Required Contribution	\$ 290,029	\$ 291,309	\$ 295,300	\$ 285,873	\$ 302,620	\$ 281,659	\$ 276,566	\$ 282,895	\$ 270,885	\$ 265,771
Contributions in Relation to the Contractually Required Contribution	<u>290,029</u>	<u>291,309</u>	<u>295,300</u>	<u>285,873</u>	<u>302,620</u>	<u>281,659</u>	<u>276,566</u>	<u>282,895</u>	<u>270,885</u>	<u>265,771</u>
Contribution Deficiency (Excess)	\$ <u>-</u>									
District's Covered Payroll	\$ 1,831,259	\$ 1,794,791	\$ 1,704,723	\$ 1,875,443	\$ 1,986,256	\$ 2,039,825	\$ 2,129,762	\$ 2,062,445	\$ 2,050,030	\$ 2,201,638
Contributions as a Percentage of Covered Payroll	15.84%	16.23%	17.32%	15.24%	15.24%	13.81%	12.99%	13.72%	13.21%	12.07%

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

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<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 Position Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	0.00	0.00	0.00	0.00	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 73,308,109</u>	<u>\$ 69,591,163</u>	<u>\$ 97,502,756</u>	<u>\$ 88,933,388</u>	<u>\$ 91,199,776</u>	<u>\$ 96,402,979</u>	<u>\$ 118,927,288</u>	<u>\$ 96,800,736</u>	<u>\$ 80,987,570</u>	<u>\$ 76,907,380</u>
Total	<u>\$ 73,308,109</u>	<u>\$ 69,591,163</u>	<u>\$ 97,502,756</u>	<u>\$ 88,933,388</u>	<u>\$ 91,199,776</u>	<u>\$ 96,402,979</u>	<u>\$ 118,927,288</u>	<u>\$ 96,800,736</u>	<u>\$ 80,987,570</u>	<u>\$ 76,907,380</u>
District's Covered Payroll	\$ 16,740,493	\$ 15,979,423	\$ 15,678,195	\$ 15,814,235	\$ 15,606,996	\$ 14,999,187	\$ 14,930,047	\$ 14,472,063	\$ 14,879,359	\$ 15,053,374
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4D.

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Six Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service Cost	\$ 3,471,090	\$ 4,199,740	\$ 2,324,126	\$ 2,099,052	\$ 2,485,362	\$ 2,972,767
Interest on Total OPEB Liability	1,760,220	2,067,543	2,052,919	2,483,598	2,718,903	2,361,715
Changes of Benefit Terms	-	(84,833)				
Differences Between Expected and Actual Experience	993,272	(17,672,613)	15,839,178	(9,545,810)	(7,707,292)	
Changes of Assumptions	(17,817,926)	78,632	16,931,076	851,460	(7,220,276)	(9,811,698)
Gross Benefit Payments	(1,743,550)	(1,628,645)	(1,613,637)	(1,752,994)	(1,682,433)	(1,687,114)
Contribution from the Member	55,934	52,857	48,909	51,964	58,148	62,124
Net Change in Total OPEB Liability	(13,280,960)	(12,987,319)	35,582,571	(5,812,730)	(11,347,588)	(6,102,206)
Total OPEB Liability - Beginning	79,701,576	92,688,895	57,106,324	62,919,054	74,266,642	80,368,848
Total OPEB Liability - Ending	<u>\$ 66,420,616</u>	<u>\$ 79,701,576</u>	<u>\$ 92,688,895</u>	<u>\$ 57,106,324</u>	<u>\$ 62,919,054</u>	<u>\$ 74,266,642</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	66,420,616	79,701,576	92,688,895	57,106,324	62,919,054	74,266,642
Total OPEB Liability - Ending	<u>\$ 66,420,616</u>	<u>\$ 79,701,576</u>	<u>\$ 92,688,895</u>	<u>\$ 57,106,324</u>	<u>\$ 62,919,054</u>	<u>\$ 74,266,642</u>
District's Covered Payroll	<u>\$ 18,535,284</u>	<u>\$ 17,684,146</u>	<u>\$ 17,553,638</u>	<u>\$ 17,689,678</u>	<u>\$ 17,593,252</u>	<u>\$ 17,039,012</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%

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

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability
are presented in Note 4E.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	471	509	501	510	511	Ch. 192 Svcs.				Ch. 193 Svcs.			Total Page 2	Grand Total 2022
						502	503	505	504	506	507	508		
	Climate Awareness	Nonpublic Nursing	Nonpublic Textbooks	Nonpublic Technology	Nonpublic Security	Nonpublic Compensatory Education	Nonpublic English as Sec. Language	Nonpublic Transport	Home Instruction	Nonpublic Supplemental Instruction	Nonpublic Exam./ Classification	Nonpublic Corrective Speech		
REVENUES														
Intergovernmental														
State	\$ 6,653	\$ 57,964	\$ 34,146	\$ 19,005	\$ 104,725	\$ 138,164	\$ 802	\$ 7,485	\$ 2,354	\$ 43,861	\$ 44,949	\$ 15,252	-	\$ 475,360
Federal													\$ 1,760,858	1,760,858
Local Sources	-	-	-	-	-	-	-	-	-	-	-	-	322,269	322,269
Total Revenues	<u>6,653</u>	<u>57,964</u>	<u>34,146</u>	<u>19,005</u>	<u>104,725</u>	<u>138,164</u>	<u>802</u>	<u>7,485</u>	<u>2,354</u>	<u>43,861</u>	<u>44,949</u>	<u>15,252</u>	<u>2,083,127</u>	<u>2,558,487</u>
EXPENDITURES														
Instruction														
Salaries of Teachers													150,621	150,621
Purchased Professional/ Educational Services													-	-
Tuition													473,164	473,164
General Supplies	5,028												60,954	65,982
Textbooks			34,146										-	34,146
Other Objects													1,935	1,935
Cocurricular/Extra Curricular Activities	-	-	-	-	-	-	-	-	-	-	-	-	295,038	295,038
Total Instruction	<u>5,028</u>	<u>-</u>	<u>34,146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>981,712</u>	<u>1,020,886</u>
Support Services														
Salaries													30,557	30,557
Personal Services Employee-Benefits													60,914	60,914
Purchased Professional/ Educational Services		57,964		19,005	104,725	138,164	802	7,485	2,354	43,861	44,949	15,252	-	434,561
Other Purchased Services	1,625	-	-	-	-	-	-	-	-	-	-	-	88,242	89,867
Supplies and Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	<u>1,625</u>	<u>57,964</u>	<u>-</u>	<u>19,005</u>	<u>104,725</u>	<u>138,164</u>	<u>802</u>	<u>7,485</u>	<u>2,354</u>	<u>43,861</u>	<u>44,949</u>	<u>15,252</u>	<u>179,713</u>	<u>615,899</u>
Facilities Acquisition and Construction														
Instructional Equipment													-	-
Noninstructional Equipment	-	-	-	-	-	-	-	-	-	-	-	-	894,471	894,471
Total Facilities Acquisition and Construction	<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>894,471</u>	<u>894,471</u>
Total Expenditures	<u>6,653</u>	<u>57,964</u>	<u>34,146</u>	<u>19,005</u>	<u>104,725</u>	<u>138,164</u>	<u>802</u>	<u>7,485</u>	<u>2,354</u>	<u>43,861</u>	<u>44,949</u>	<u>15,252</u>	<u>2,055,896</u>	<u>2,531,256</u>
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	-	-	27,231	27,231
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-	-	207,692	207,692
Fund Balance, End of Year	<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>\$ 234,923</u>	<u>\$ 234,923</u>

CLARK PUBLIC SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	231	270	241	243	250	255	223	224	483	484	485	487	Science	Totals	
	Title I	Title IIA	Title III	Title IV	IDEA	IDEA	ARP	ARP		CRRSA	Mental	ARP	Student	Observatory/	
REVENUES	2022/23	2022/23	2020/21	2022/23	Part B	Preschool	IDEA	IDEA	ESSER II	Learning	Health	ESSER III	Activities	Donations	
Intergovernmental															
State															
Federal	\$ 129,187	\$ 7,617	\$ 2,460	\$ 12,593	\$ 536,750	\$ 27,994	\$ 46,532	\$ 351	\$ 33,100	\$ 24,803	\$ 45,000	\$ 894,471		\$ 1,760,858	
Local Sources	-	-	-	-	-	-	-	-	-	-	-	-	\$ 321,921	\$ 348	\$ 322,269
Total Revenues	129,187	7,617	2,460	12,593	536,750	27,994	46,532	351	33,100	24,803	45,000	894,471	321,921	348	2,083,127
EXPENDITURES															
Instruction															
Salaries of Teachers	76,582					18,539			33,100	22,400					150,621
Purchased Professional/ Educational Services															-
Tuition					473,164										473,164
General Supplies	13,548			5,602			39,376	351		2,077					60,954
Textbooks															-
Other Objects							1,609			326					1,935
Cocurricular/Extra Curricular Activities	-	-	-	-	-	-	-	-	-	-	-	-	295,038	-	295,038
Total Instruction	90,130	-	-	5,602	473,164	18,539	40,985	351	33,100	24,803	-	-	295,038	-	981,712
Support Services															
Salaries			1,629								28,928				30,557
Personal Services Employee-Benefits	39,057	-	831	-		9,455					11,571				60,914
Purchased Professional & Technical Services															-
Purchased Professional/ Educational Services															-
Other Purchased Services	-	7,617	-	6,991	63,586	-	5,547	-	-	-	4,501	-	-	-	88,242
Supplies and Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	39,057	7,617	2,460	6,991	63,586	9,455	5,547	-	-	-	45,000	-	-	-	179,713
Facilities Acquisition and Construction															
Instructional Equipment															-
Noninstructional Equipment	-	-	-	-	-	-	-	-	-	-	-	894,471	-	-	894,471
Total Facilities Acquisition and Construction	-	-	-	-	-	-	-	-	-	-	-	894,471	-	-	894,471
Total Expenditures	129,187	7,617	2,460	12,593	536,750	27,994	46,532	351	33,100	24,803	45,000	894,471	295,038	-	2,055,896
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	-	-	26,883	348	27,231
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-	-	179,323	28,369	207,692
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,206	\$ 28,717	\$ 234,923

**CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**CLARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue/Project Title</u>	<u>Modified</u> <u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended</u> <u>Balance,</u> <u>June 30, 2023</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Construction of Artificial Turf Fields	\$ 3,440,438	\$ 43,921	\$ 3,396,517	\$ -
Total Expenditures	<u>\$ 3,440,438</u>	<u>\$ 43,921</u>	<u>\$ 3,396,517</u>	<u>\$ -</u>

Reconciliation to GAAP Basis

Project Balance, June 30, 2023	\$ -
Fund Balance, June 30, 2023-GAAP Basis	<u>\$ -</u>

**CLARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Revenues and Other Financing Sources

Other Financing Sources	
Interlocal Capital Financing Agreement	\$ (53,437)
Total Revenues and Other Financing Sources	<u>(53,437)</u>

Expenditures and Other Financing Uses

Expenditures	
Capital Outlay	
Purchased Professional Services	174,514
Equipment	
Construction Services	<u>3,222,003</u>
Total Expenditures and Other Financing Uses	<u>3,396,517</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,449,954)
Fund Balance- Beginning of Year	<u>3,449,954</u>
Fund Balance- End of Year	<u>\$ -</u>

Reconciliation to GAAP Basis

Fund Balance, June 30, 2023 - Budgetary Basis	\$ -
Fund Balance, June 30, 2023-GAAP Basis	<u>\$ -</u>

**CLARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
INTERLOCAL AGREEMENT - CONSTRUCTION OF ARTIFICIAL TURF FIELDS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Interlocal Capital Financing Agreement Proceeds	\$ 3,493,875		\$ 3,493,875	\$ 3,493,875
Interlocal Capital Financing Agreement Cancelled	<u>-</u>	<u>\$ (53,437)</u>	<u>(53,437)</u>	<u>(53,437)</u>
Total Revenues and Other Financing Sources	<u>3,493,875</u>	<u>(53,437)</u>	<u>3,440,438</u>	<u>3,440,438</u>
Expenditures and Other Financing Uses				
Purchased Professional Services	43,921	174,514	218,435	218,435
Construction Services	<u>-</u>	<u>3,222,003</u>	<u>3,222,003</u>	<u>3,222,003</u>
Total Expenditures and Other Financing Uses	<u>43,921</u>	<u>3,396,517</u>	<u>3,440,438</u>	<u>3,440,438</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (3,449,954)</u>	<u>\$ (3,449,954)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Original Authorized Cost		\$ 3,493,875		
Increased Authorized Cost		(53,437)		
Revised Authorized Cost		\$ 3,440,438		
Percentage Decrease Over Original Authorized Cost		-1.53%		
Percentage Completion		100.00%		
Original Target Completion Date		06/30/2023		
Revised Target Completion Date		08/31/2023		

PROPRIETARY FUNDS

EXHIBIT G-1

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

CLARK PUBLIC SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2023</u>
			<u>Date</u>	<u>Amount</u>					
Refunding School Bonds	12/4/12	\$ 14,145,000	6/01/24	\$ 1,705,000	2.63%				
			6/01/25	1,710,000	2.75%				
			6/01/26	1,755,000	3.00%	\$ 6,760,000	-	\$ 1,590,000	\$ 5,170,000
						\$ 6,760,000	\$ -	\$ 1,590,000	\$ 5,170,000

**CLARK PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF CAPITAL FINANCING AGREEMENTS, OTHER FINANCING AGREEMENTS AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue</u>	Original Issue	Interest Rate	Balance, June 30, 2022	Issued	Matured	Cancelled	Balance, June 30, 2023
<u>Capital Financing Agreements</u>							
Interlocal Agreement - Township of Clark Construction of Artificial Turf Fields	\$ 3,440,438	0.00%	\$ 3,144,487	\$ -	\$ 343,450	\$ 53,437	\$ 2,747,600
Total Interlocal Agreements			<u>3,144,487</u>	<u>-</u>	<u>343,450</u>	<u>53,437</u>	<u>2,747,600</u>
<u>Other Financing Agreements</u>							
Computer Equipment (Supplies) - 230 MAC Books	242,352	0.00%	<u>161,568</u>	<u>-</u>	<u>80,784</u>	<u>-</u>	<u>80,784</u>
<u>Leases Payable</u>							
9 Xerox Copiers	382,837	0.00%	350,934	-	95,709	-	255,225
5 Postage Meters	24,854	0.00%	<u>19,883</u>	<u>-</u>	<u>4,971</u>	<u>-</u>	<u>14,912</u>
Total Leases Payable			<u>370,817</u>	<u>-</u>	<u>100,680</u>	<u>-</u>	<u>270,137</u>
Total Capital/Other Financing Agreements and Leases Payable			<u>\$ 3,676,872</u>	<u>\$ -</u>	<u>\$ 524,914</u>	<u>\$ 53,437</u>	<u>\$ 3,098,521</u>

**CLARK PUBLIC SCHOOL DISTRICT
LONG TERM DEBT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 1,798,033	-	\$ 1,798,033	\$ 1,798,031	-
Total Revenues	<u>1,798,033</u>	<u>-</u>	<u>1,798,033</u>	<u>1,798,031</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	1,590,000		1,590,000	1,590,000	
Interest on Bonds	<u>208,033</u>	<u>-</u>	<u>208,033</u>	<u>208,031</u>	\$ 2
Total Expenditures	<u>1,798,033</u>	<u>-</u>	<u>1,798,033</u>	<u>1,798,031</u>	<u>2</u>
Net Change in Fund Balances	-	-	-	-	2
Fund Balance, Beginning of Year	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 2</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

CLARK PUBLIC SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment In Capital Assets	\$ 17,548,040	\$ 16,572,663	\$ 14,261,400	\$ 13,705,490	\$ 12,640,594	\$ 11,934,121	\$ 11,366,186	\$ 10,906,509	\$ 11,717,955	\$ 12,389,223
Restricted	1,357,029	2,009,330	1,697,976	1,407,399	1,292,183	1,294,684	1,487,656	1,491,794	2,011,864	2,060,463
Unrestricted	(4,692,995)	(5,095,914)	(6,367,405)	(6,101,114)	(3,954,634)	(2,340,377)	(273,301)	1,722,455	1,210,371	1,618,450
Total Governmental Activities Net Position	<u>\$ 14,212,074</u>	<u>\$ 13,486,079</u>	<u>\$ 9,591,971</u>	<u>\$ 9,011,775</u>	<u>\$ 9,978,143</u>	<u>\$ 10,888,428</u>	<u>\$ 12,580,541</u>	<u>\$ 14,120,758</u>	<u>\$ 14,940,190</u>	<u>\$ 16,068,136</u>
Business-Type Activities										
Net Investment In Capital Assets	\$ 8,372	\$ 15,732	\$ 173,146	\$ 187,318	\$ 188,389	\$ 197,397	\$ 186,146	\$ 166,036	\$ 146,156	\$ 190,013
Unrestricted	256,768	549,426	831,023	1,184,767	1,427,013	1,620,068	1,783,499	1,670,197	2,281,908	2,662,051
Total Business-Type Activities Net Position	<u>\$ 265,140</u>	<u>\$ 565,158</u>	<u>\$ 1,004,169</u>	<u>\$ 1,372,085</u>	<u>\$ 1,615,402</u>	<u>\$ 1,817,465</u>	<u>\$ 1,969,645</u>	<u>\$ 1,836,233</u>	<u>\$ 2,428,064</u>	<u>\$ 2,852,064</u>
District-Wide										
Net Investment In Capital Assets	\$ 17,556,412	\$ 16,588,395	\$ 14,434,546	\$ 13,892,808	\$ 12,828,983	\$ 12,131,518	\$ 11,552,332	\$ 11,072,545	\$ 11,864,111	\$ 12,579,236
Restricted	1,357,029	2,009,330	1,697,976	1,407,399	1,292,183	1,294,684	1,487,656	1,491,794	2,011,864	2,060,463
Unrestricted	(4,436,227)	(4,546,488)	(5,536,382)	(4,916,347)	(2,527,621)	(720,309)	1,510,198	3,392,652	3,492,279	4,280,501
Total District Net Position	<u>\$ 14,477,214</u>	<u>\$ 14,051,237</u>	<u>\$ 10,596,140</u>	<u>\$ 10,383,860</u>	<u>\$ 11,593,545</u>	<u>\$ 12,705,893</u>	<u>\$ 14,550,186</u>	<u>\$ 15,956,991</u>	<u>\$ 17,368,254</u>	<u>\$ 18,920,200</u>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions."

Note 2 - Net Position at June 30, 2020 was restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and a correction of an error for compensated absences liability.

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)

(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
Instruction										
Regular Instruction	\$ 17,581,785	\$ 20,404,457	\$ 21,756,514	\$ 23,893,780	\$ 24,437,501	\$ 22,759,140	\$ 21,695,750	\$ 25,858,911	\$ 22,595,372	\$ 21,880,208
Special Education Instruction	4,504,738	6,003,305	6,842,631	7,230,657	6,884,916	6,547,210	6,786,602	6,703,348	5,914,910	5,340,219
Other Instruction	641,301	709,751	832,791	926,423	785,113	804,764	858,700	1,019,837	668,789	457,371
School Sponsored Activities and Athletics	902,524	953,377	932,447	1,069,420	943,095	881,274	797,939	1,021,114	1,404,183	1,428,755
Support Services:										
Tuition										
Student and Instruction Related Services	5,350,090	5,440,909	5,603,858	6,279,967	5,504,080	5,259,948	5,010,855	5,579,987	5,985,534	5,745,716
General Administration Services	816,658	781,746	643,497	979,981	946,276	857,466	812,773	875,996	918,733	836,342
School Administrative Services	1,987,484	2,233,308	2,211,194	2,222,532	2,850,334	2,883,591	2,946,321	3,101,407	2,940,851	2,934,238
Central and Other Support Services	628,734	720,876	844,452	662,608	557,236	494,018	484,494	502,995	459,921	443,905
Plant Operations and Maintenance	3,022,501	3,100,548	3,405,988	3,286,336	3,185,847	3,438,736	3,356,495	3,416,819	3,742,050	4,338,663
Pupil Transportation Services	866,858	1,037,189	1,468,123	1,446,708	1,149,796	1,241,640	1,419,602	1,797,516	2,289,186	2,710,413
Interest On Long-Term Debt	592,530	552,422	511,849	473,902	438,449	418,586	371,159	323,755	279,511	224,477
Unallocated Depreciation and Amortization										
Total Governmental Activities Expenses	<u>36,895,203</u>	<u>41,937,888</u>	<u>45,053,344</u>	<u>48,472,314</u>	<u>47,682,643</u>	<u>45,586,373</u>	<u>44,540,690</u>	<u>50,201,685</u>	<u>47,199,040</u>	<u>46,340,307</u>
Business-Type Activities:										
Food Service	631,893	628,176	664,892	656,503	698,774	679,286	494,544	129,133	932,910	916,274
Before and After School Program	411,722	272,655	319,264	326,787	471,833	562,809	341,842	42,776	290,466	349,876
Total Business-Type Activities Expense	<u>1,043,615</u>	<u>900,831</u>	<u>984,156</u>	<u>983,290</u>	<u>1,170,607</u>	<u>1,242,095</u>	<u>836,386</u>	<u>171,909</u>	<u>1,223,376</u>	<u>1,266,150</u>
Total District Expenses	<u>\$ 37,938,818</u>	<u>\$ 42,838,719</u>	<u>\$ 46,037,500</u>	<u>\$ 49,455,604</u>	<u>\$ 48,853,250</u>	<u>\$ 46,828,468</u>	<u>\$ 45,377,076</u>	<u>\$ 50,373,594</u>	<u>\$ 48,422,416</u>	<u>\$ 47,606,457</u>
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	\$ 2,738,802	\$ 2,196,195	\$ 1,748,491	\$ 1,922,961	\$ 1,867,529	\$ 1,541,710	\$ 1,842,251	\$ 2,033,919	\$ 1,885,752	\$ 2,465,749
Pupil Transportation	136,081	213,134	119,066	125,198	-	-	-	-	-	-
Operating Grants And Contributions	4,981,443	8,925,719	10,685,784	13,688,326	14,411,728	11,473,904	10,330,723	15,180,549	10,880,936	8,908,677
Capital Grants And Contributions	3,320	65,133	204,065	216,428	-	243,180	-	-	8,908,677	506,512
Total Governmental Activities Program Revenues	<u>7,859,646</u>	<u>11,400,181</u>	<u>12,757,406</u>	<u>15,952,913</u>	<u>16,279,257</u>	<u>13,258,794</u>	<u>12,172,974</u>	<u>17,214,468</u>	<u>21,675,365</u>	<u>11,880,938</u>
Business-Type Activities:										
Charges For Services										
Food Service	\$ 526,372	\$ 532,264	\$ 563,073	\$ 582,632	\$ 620,305	\$ 617,258	\$ 443,081	\$ 8,982	\$ 240,284	\$ 750,619
Before and After School Program	496,257	547,455	595,433	632,477	657,323	695,124	441,917	-	448,321	568,451
Operating Grants And Contributions	115,104	121,130	125,639	135,109	133,154	115,738	87,941	23,848	1,123,549	335,593
Capital Grants And Contributions										
Total Business Type Activities Program Revenues	<u>1,137,733</u>	<u>1,200,849</u>	<u>1,284,145</u>	<u>1,350,218</u>	<u>1,410,782</u>	<u>1,428,120</u>	<u>972,939</u>	<u>32,830</u>	<u>1,812,154</u>	<u>1,654,663</u>
Total District Program Revenues	<u>\$ 8,997,379</u>	<u>\$ 12,601,030</u>	<u>\$ 14,041,551</u>	<u>\$ 17,303,131</u>	<u>\$ 17,690,039</u>	<u>\$ 14,686,914</u>	<u>\$ 13,145,913</u>	<u>\$ 17,247,298</u>	<u>\$ 23,487,519</u>	<u>\$ 13,535,601</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (29,035,557)	\$ (30,537,707)	\$ (32,295,938)	\$ (32,519,401)	\$ (31,403,386)	\$ (32,327,579)	\$ (32,367,716)	\$ (32,987,217)	\$ (25,523,675)	\$ (34,459,369)
Business-Type Activities	94,118	300,018	299,989	366,928	240,175	186,025	136,553	(139,079)	588,778	388,513
Total District-Wide Net Expense	<u>\$ (28,941,439)</u>	<u>\$ (30,237,689)</u>	<u>\$ (31,995,949)</u>	<u>\$ (32,152,473)</u>	<u>\$ (31,163,211)</u>	<u>\$ (32,141,554)</u>	<u>\$ (32,231,163)</u>	<u>\$ (33,126,296)</u>	<u>\$ (24,934,897)</u>	<u>\$ (34,070,856)</u>

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes Levied For General Purposes	\$ 27,816,331	\$ 28,206,800	\$ 28,770,935	\$ 30,188,919	\$ 30,792,697	\$ 31,694,372	\$ 32,328,259	\$ 32,974,824	\$ 33,634,320	\$ 33,634,320
Property Taxes Levied For Debt Service	1,405,790	1,426,782	1,410,881	1,387,532	1,374,532	1,355,032	1,351,032	1,395,632	1,554,831	1,798,031
State Aid, Unrestricted	2,196	2,268	2,257	2,265	24,143	2,159	-	-	-	-
Investment Earnings	5,859	7,121	6,362	6,145	15,861	-	-	-	-	-
Miscellaneous Income	216,947	168,741	104,701	120,701	162,521	186,301	190,067	156,978	62,633	154,964
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>\$ 29,447,123</u>	<u>\$ 29,811,712</u>	<u>\$ 30,295,136</u>	<u>\$ 31,705,562</u>	<u>\$ 32,369,754</u>	<u>\$ 33,237,864</u>	<u>\$ 33,869,358</u>	<u>\$ 34,527,434</u>	<u>\$ 35,251,784</u>	<u>\$ 35,587,315</u>
Business-Type Activities:										
Investment Earnings	-	-	\$ 362	\$ 988	\$ 3,142	\$ 16,038	\$ 15,627	\$ 5,667	\$ 3,053	\$ 35,487
Transfers	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>362</u>	<u>988</u>	<u>3,142</u>	<u>16,038</u>	<u>15,627</u>	<u>5,667</u>	<u>3,053</u>	<u>35,487</u>
Total District-Wide	<u>\$ 29,447,123</u>	<u>\$ 29,811,712</u>	<u>\$ 30,295,498</u>	<u>\$ 31,706,550</u>	<u>\$ 32,372,896</u>	<u>\$ 33,253,902</u>	<u>\$ 33,884,985</u>	<u>\$ 34,533,101</u>	<u>\$ 35,254,837</u>	<u>\$ 35,622,802</u>
Change In Net Position										
Governmental Activities	\$ 411,566	\$ (725,995)	\$ (2,000,802)	\$ (813,839)	\$ 966,368	\$ 910,285	\$ 1,501,642	\$ 1,540,217	\$ 9,728,109	\$ 1,127,946
Business-Type Activities	94,118	300,018	300,351	367,916	243,317	202,063	152,180	(133,412)	591,831	424,000
Total District	<u>\$ 505,684</u>	<u>\$ (425,977)</u>	<u>\$ (1,700,451)</u>	<u>\$ (445,923)</u>	<u>\$ 1,209,685</u>	<u>\$ 1,112,348</u>	<u>\$ 1,653,822</u>	<u>\$ 1,406,805</u>	<u>\$ 10,319,940</u>	<u>\$ 1,551,946</u>

CLARK PUBLIC SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 1,171,226	\$ 3,794,969	\$ 2,219,713	\$ 2,890,007	\$ 4,940,367	\$ 6,362,468	\$ 7,939,065	\$ 7,107,144	\$ 7,253,053	\$ 7,146,307
Committed	55,313	65,388					339,766	1,667,009	274,270	-
Assigned	261,068	256,514	188,840	91,987	15,343	127,245	348,329	368,790	682,204	1,298,152
Unassigned	2,405,555	552,381	381,794	528,288	515,945	523,608	501,682	1,285,443	1,305,139	490,093
Total General Fund	<u>\$ 3,893,162</u>	<u>\$ 4,669,252</u>	<u>\$ 2,790,347</u>	<u>\$ 3,510,282</u>	<u>\$ 5,471,655</u>	<u>\$ 7,013,321</u>	<u>\$ 9,128,842</u>	<u>\$ 10,428,386</u>	<u>\$ 9,514,666</u>	<u>\$ 8,934,552</u>
All Other Governmental Funds										
Restricted	<u>\$ 99,959</u>	<u>\$ 2,260</u>	<u>\$ 362,313</u>	<u>\$ 71,736</u>	<u>\$ 71,736</u>	<u>\$ 71,737</u>	<u>\$ 2</u>	<u>\$ 190,362</u>	<u>\$ 3,657,649</u>	<u>\$ 234,926</u>
Total All Other Governmental Funds	<u>\$ 99,959</u>	<u>\$ 2,260</u>	<u>\$ 362,313</u>	<u>\$ 71,736</u>	<u>\$ 71,736</u>	<u>\$ 71,737</u>	<u>\$ 2</u>	<u>\$ 190,362</u>	<u>\$ 3,657,649</u>	<u>\$ 234,926</u>

Note 1 - Fund Balances as of June 30, 2020 have been restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property Tax Levy	\$ 29,222,121	\$ 29,633,582	\$ 30,181,816	\$ 31,576,451	\$ 32,167,229	\$ 33,049,404	\$ 33,679,291	\$ 34,370,456	\$ 35,189,151	\$ 35,432,351
Tuition Charges	2,738,802	2,326,907	1,748,491	1,922,961	1,867,529	1,541,710	1,842,251	2,033,919	1,885,752	2,142,499
Transportation Fees	136,081	213,134	119,066	125,198						
Interest Earnings	5,859	7,121	6,362	6,145	15,861	77,327	97,808	41,782	20,201	152,153
Miscellaneous	226,878	186,177	109,628	120,701	157,881	108,974	92,259	214,342	246,219	326,061
Intermediate Sources										
State Sources	4,345,993	4,807,241	5,477,457	5,888,692	6,403,101	7,217,413	7,802,429	9,153,654	11,335,439	11,821,087
Federal Sources	631,035	638,565	709,566	690,851	556,198	642,237	827,510	1,268,168	977,529	1,538,985
Total Revenue	37,306,769	37,812,727	38,352,386	40,330,999	41,167,799	42,637,065	44,341,548	47,082,321	49,654,291	51,413,136
Expenditures										
Instruction										
Regular Instruction	15,463,533	15,937,309	16,582,976	16,910,254	17,675,355	18,380,755	18,490,013	21,040,860	21,989,262	22,455,453
Special Education Instruction	4,505,192	5,509,495	5,915,696	5,961,945	5,923,023	6,115,670	6,600,250	6,142,130	6,232,056	5,866,598
Other Instruction	641,390	614,062	703,821	709,702	609,599	716,012	817,635	949,743	723,258	524,927
School Sponsored Activities and Athletics	902,620	956,124	917,527	1,014,810	869,592	858,767	824,232	1,005,315	1,459,564	1,549,589
Support Services										
Student and Instruction Related Services	5,348,851	5,083,662	5,062,071	5,299,734	4,595,993	4,867,688	4,876,464	5,138,525	6,317,467	6,394,394
General Administration Services	816,702	782,594	638,992	951,709	896,437	849,109	828,124	864,972	938,828	892,178
School Administrative Services	1,891,765	1,925,942	1,909,819	1,742,520	2,270,268	2,586,848	2,807,010	2,749,037	3,097,288	3,390,970
Central and Other Support Services	628,807	723,102	832,222	620,155	497,186	477,494	498,198	486,056	482,063	496,388
Plant Operations And Maintenance	2,990,753	3,072,391	3,346,062	3,148,646	2,982,499	3,349,244	3,339,298	3,336,102	3,763,037	4,443,191
Student Transportation Services	866,879	1,037,589	1,435,137	1,388,859	1,128,489	1,220,130	1,424,218	1,795,422	2,294,037	2,720,903
Employee Benefits										
On-Behalf TPAF and Pension Contributions										
Cost of Issuance										
Capital Outlay	281,079	257,432	854,570	511,392	499,599	514,348	453,063	559,228	1,762,306	4,305,000
Debt Service:										
Principal	1,021,858	1,062,016	1,195,367	1,198,832	1,140,560	1,145,241	1,181,959	1,222,771	1,925,559	2,114,914
Interest And Other Charges	556,875	517,822	476,978	443,083	405,432	389,092	347,769	302,256	259,917	208,031
Total Expenditures	35,916,304	37,479,540	39,871,238	39,901,641	39,494,032	41,470,398	42,488,233	45,592,417	51,244,642	55,362,536
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	1,390,465	333,187	(1,518,852)	429,358	1,673,767	1,166,667	1,853,315	1,489,904	(1,590,351)	(3,949,400)
Other Financing Sources (Uses)										
Loan Proceeds /Lease Proceeds		345,204			287,606	375,000			3,901,566	(53,437)
Bond Proceeds										
Premium on Refunding										
Payment to Refunding Bond Escrow Agent										
Transfers In	266,948						71,736			
Transfers Out	(266,948)						(71,736)			
Total Other Financing Sources (Uses)	-	345,204	-	-	287,606	375,000	-	-	3,901,566	(53,437)
Net Change In Fund Balances	\$ 1,390,465	\$ 678,391	\$ (1,518,852)	\$ 429,358	\$ 1,961,373	\$ 1,541,667	\$ 1,853,315	\$ 1,489,904	\$ 2,311,215	\$ (4,002,837)
Debt Service As A Percentage Of										
Noncapital Expenditures	4.43%	4.24%	4.29%	4.17%	3.96%	3.75%	3.64%	3.39%	4.42%	4.55%

* Noncapital expenditures are total expenditures less capital outlay.

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Transportation Fees</u>	<u>Interest on Investments</u>	<u>Rentals</u>	<u>E-Rate</u>	<u>Gate Receipts</u>	<u>Reimbursements</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 2,738,802	\$ 136,081	\$ 5,859	\$ 38,950		\$ 7,259	\$ 144,553	\$ 26,185	\$ 3,097,689
2015	2,326,907	213,134	7,121	35,952	\$ 4,975	17,003		110,811	2,715,903
2016	1,748,491	119,066	6,362	40,175		6,843		57,683	1,978,620
2017	1,922,961	125,198	6,145	37,280				83,421	2,175,005
2018	1,867,529		15,861	28,589				129,292	2,041,271
2019	1,541,710		77,327	35,792				73,182	1,728,011
2020	1,842,251		97,808	15,267				76,992	2,032,318
2021	2,033,919		41,782	7,363			18,447	89,386	2,190,897
2022	1,885,752		20,201	8,604				33,828	1,948,385
2023	2,142,499		152,153	981				2,811	2,298,444

CLARK PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate ^a
2014	\$ 13,999,600	\$ 587,465,700			\$ 89,165,200	\$ 22,526,500	\$ 16,357,700	\$ 729,514,700	\$ 285,698	\$ 729,800,398	\$ 2,378,232,819	\$ 4.029
2015	11,044,900	587,334,700			89,071,000	22,526,500	26,407,700	736,384,800	300,902	736,685,702	2,411,074,575	4.123
2016	5,402,800	591,176,900			115,793,400	22,574,700	16,357,700	751,305,500	287,491	751,592,991	2,528,913,159	4.109
2017	5,394,500	594,456,200			100,864,100	22,574,700	33,457,700	756,747,200	282,304	757,029,504	2,547,205,599	4.210
2018	5,704,900	599,609,500			100,799,200	22,139,700	33,457,700	761,711,000	323,097	762,034,097	2,695,557,471	4.280
2019	4,860,200	602,056,500			101,112,000	22,884,200	33,457,700	764,370,600	334,121	764,704,721	2,738,913,757	4.363
2020	6,831,600	604,990,800			100,628,100	20,609,200	32,912,900	765,972,600	323,703	766,296,303	2,839,186,006	4.441
2021	7,799,900	606,663,800			100,949,900	18,709,200	32,912,900	767,035,700	315,924	767,351,624	2,940,044,536	4.533
2022	20,298,400	2,541,197,900			416,226,400	79,040,500	177,272,200	3,234,035,400	1,207,957	3,235,243,357	3,136,199,288	1.092
2023	19,405,200	2,549,975,900			417,799,100	79,040,500	177,272,200	3,243,492,900	1,188,215	3,244,681,115	3,244,681,115	1.103

The Township had a revaluation of property tax values completed in 2022.

Source: County Abstract of Ratables

^a Tax rates are per \$100

**CLARK PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Assessment Year	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Clark School District	Clark Township	County		
2014	\$ 4.029	\$ 2.124	\$ 1.702	\$	7.855
2015	4.123	2.145	1.756		8.024
2016	4.109	2.175	1.822		8.106
2017	4.210	2.342	1.864		8.416
2018	4.280	2.377	1.896		8.553
2019	4.363	2.419	1.875		8.657
2020	4.441	2.427	1.877		8.745
2021	4.533	2.473	1.884		8.890
2022	1.092	0.587	0.439		2.118
2023	1.103	0.651	0.427		2.181

Source: Municipal Tax Assessor

**CLARK PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2023	
	Taxable Assessed Value	% of Total District Net Assessed Value
Clark Developers LLC	\$ 66,340,100	2.04%
Clark Commons	54,890,700	1.69%
Al Rieder Lex Holdco LLC Et ALS	30,703,700	0.95%
100 Walnut LLC	31,479,200	0.97%
Target Corp.	26,266,100	0.81%
IVY Park Management Co Et ALS	20,680,300	0.64%
RV Terrace, LLC	20,434,000	0.63%
Mastertaste Inc.	15,942,300	0.49%
Clark 1712 LLC	15,601,000	0.48%
Lexington Village Associates	13,448,500	0.41%
	<u>\$ 295,785,900</u>	<u>9.12%</u>

Taxpayer	2014	
	Taxable Assessed Value	% of Total District Net Assessed Value
C.W. Association	\$ 8,000,000	1.10%
Feil	7,512,000	1.03%
Clark 1709 LLC	6,000,000	0.82%
Target Corp.	5,443,200	0.75%
U.S. Gypsum Co.	4,900,000	0.67%
Lexington Village	4,707,800	0.65%
Largo Clark	4,656,800	0.64%
General Motors	4,473,000	0.61%
Halsted Realty, LLC	3,828,100	0.52%
Mastertaste Inc	3,700,000	0.51%
	<u>\$ 53,220,900</u>	<u>7.30%</u>

Source: District ACFR & Municipal Tax Assessor

**CLARK PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 29,222,121	\$ 29,222,121	100.00%	
2015	29,633,582	29,633,582	100.00%	
2016	30,181,816	30,181,816	100.00%	
2017	31,576,451	31,576,451	100.00%	
2018	32,167,229	32,167,229	100.00%	
2019	33,049,404	33,049,404	100.00%	
2020	32,679,291	33,679,291	100.00%	
2021	34,370,456	34,370,456	100.00%	
2022	35,189,151	35,189,151	100.00%	
2023	35,432,351	35,432,351	100.00%	

Source: School District's Financial Statements

**CLARK PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Governmental Activities</u>						
Fiscal Year Ended June 30,	General Obligation Bonds	Financing Agreements /Leases Payable / Interlocal Agreements	Total District	Population	Per Capita	
2014	\$ 14,930,000	\$ 427,449	\$ 15,357,449	15,126	\$	1,015
2015	14,005,000	635,637	14,640,637	15,358		953
2016	13,060,000	385,270	13,445,270	15,754		853
2017	12,110,000	136,438	12,246,438	15,856		772
2018	11,135,000	258,484	11,393,484	15,901		717
2019	10,160,000	463,243	10,623,243	15,920		667
2020	9,150,000	291,284	9,441,284	15,837		596
2021	8,055,000	163,513	8,218,513	15,393		534
2022	6,760,000	3,676,872	10,436,872	15,244		685
2023	5,170,000	3,098,521	8,268,521	15,244	E	542

Source: District Records

(E) - Estimate

CLARK PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2014	\$ 14,930,000	\$ -	\$ 14,930,000	2.05%	987
2015	14,005,000	-	14,005,000	1.90%	912
2016	13,060,000	-	13,060,000	1.74%	829
2017	12,110,000	-	12,110,000	1.60%	764
2018	11,135,000	-	11,135,000	1.46%	700
2019	10,160,000	-	10,160,000	1.33%	638
2020	9,150,000	-	9,150,000	1.19%	578
2021	8,055,000	-	8,055,000	1.05%	523
2022	6,760,000	-	6,760,000	0.21%	443
2023	5,170,000	-	5,170,000	0.16%	339

Source: District Records

**CLARK PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
(UNAUDITED)**

MUNICIPAL DEBT	<u>Total Debt</u>
Clark Public School District (As of June 30, 2023)	\$ 5,170,000
Township of Clark (1)	<u>30,879,170</u>
Total Direct Debt	<u>36,049,170</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY	
Union County:	
County of Union (A)	24,110,233
Rahway Valley Sewerage (B)	<u>11,459,326</u>
Total Overlapping Debt	<u>35,569,559</u>
Total Direct and Overlapping Outstanding Debt	<u><u>\$ 71,618,729</u></u>

- (A) The debt for this entity was apportioned by dividing the Municipality's 2022 equalized value by the total 2022 equalized value for Union County
- (B) Overlapping Debt was computed based upon municipal flow to the Authority

Sources:

- (1) Township of Clark 2022 Annual Debt Statement

**CLARK PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Equalized valuation basis
	2022 \$ 3,351,679,345
	2021 2,974,159,364
	2020 2,934,760,920
	<u> \$ 9,260,599,629</u>
Average Equalized valuation of taxable property	<u> \$ 3,086,866,543</u>
Debt Limit (4% of average equalization value)	\$ 123,474,662
Total Net Debt Applicable to Limit	<u> -</u>
Legal Debt Margin	<u> \$ 123,474,662</u>

	Fiscal Year Ended June 30,									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$ 97,181,669	\$ 95,016,873	\$ 95,913,079	\$ 99,468,015	\$ 103,619,667	\$ 106,958,996	\$ 109,827,979	\$ 113,266,711	\$ 116,546,286	\$ 123,474,662
Total net debt applicable to limit	<u>14,930,000</u>	<u>14,005,000</u>	<u>13,060,000</u>	<u>12,110,000</u>	<u>11,135,000</u>	<u>10,160,000</u>	<u>9,150,000</u>	<u>8,055,000</u>	<u>6,760,000</u>	<u>5,170,000</u>
Legal debt margin	<u>\$ 82,251,669</u>	<u>\$ 81,011,873</u>	<u>\$ 82,853,079</u>	<u>\$ 87,358,015</u>	<u>\$ 92,484,667</u>	<u>\$ 96,798,996</u>	<u>\$ 100,677,979</u>	<u>\$ 105,211,711</u>	<u>\$ 109,786,286</u>	<u>\$ 118,304,662</u>
Total net debt applicable to the limit as a percentage of debt limit	15.36%	14.74%	13.62%	12.17%	10.75%	9.50%	8.33%	7.11%	5.80%	4.19%

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

**CLARK PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended December 31,	Population	County Per Capita Personal Income	Unemployment Rate
2014	15,126	\$ 58,569	5.5%
2015	15,358	60,596	4.8%
2016	15,754	61,978	4.1%
2017	15,856	64,342	3.8%
2018	15,901	67,346	3.3%
2019	15,920	68,867	2.8%
2020	15,837	72,543	9.9%
2021	15,393	77,007	4.8%
2022	15,244	N/A	2.9%
2023	15,244 E	N/A	N/A

Source:

United States Bureau of Census, Population Division estimates

Revisions to historical data, per capita income: US Bureau of Economic Analysis

E - Estimate

N/A - Not Available

CLARK PUBLIC SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 (UNAUDITED)

Employer	2023		2014	
	Employees	% of Total Municipal Employment	Employees	% of Total Municipal Employment

INFORMATION IS NOT AVAILABLE

**CLARK PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	156	155	156	158	160	155	154	161	149	149
Special education	53	44	45	43	48	49	49	60	38	38
Support Services:										
Student & instruction related services	64	78	75	99	71	70	67	36	71	72
General administrative services	2	3	4	3	4	3	3	3	3	3
School administrative services	16	14	14	13	16	15	13	19	20	23
Business administrative services	6	6	6	6	5	4	5	4	4	4
Plant operations and maintenance	<u>10</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>8</u>	<u>10</u>	<u>8</u>	<u>14</u>	<u>8</u>	<u>15</u>
Total	<u>307</u>	<u>309</u>	<u>310</u>	<u>333</u>	<u>312</u>	<u>306</u>	<u>299</u>	<u>297</u>	<u>293</u>	<u>304</u>

Source: District Records

**CLARK PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Pupil/Teacher Ratio

Fiscal Year	Enrollment a	Operating Expenditures b	Cost Per Pupil c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2014	2,311	\$ 34,056,492	\$ 14,737	-3.22%	175.0	1:15	1:12	1:12	2,334	2,241	1.17%	96.02%
2015	2,348	35,642,270	15,180	3.01%	199.0	1:15	1:12	1:12	2,336	2,242	0.09%	95.98%
2016	2,258	37,344,323	16,539	8.95%	201.0	1:13	1:11	1:12	2,230	2,145	-4.54%	96.19%
2017	2,225	37,748,334	16,966	2.58%	201.0	1:13	1:11	1:09	2,207	2,122	-1.03%	96.15%
2018	2,176	37,564,907	17,263	1.75%	208.0	1:24	1:15	1:10	2,170	2,270	-1.68%	104.61%
2019	2,211	39,421,717	17,830	3.28%	204.0	1:16	1:13	1:10	2,223	2,127	2.44%	95.68%
2020	2,200	40,505,442	18,412	3.26%	203.0	1:15	1:14	1:09	2,200	2,150	-1.03%	97.73%
2021	2,224	43,508,162	19,563	6.25%	221.0	1:14	1:12	1:09	2,235	2,164	1.59%	96.82%
2022	2,224	47,296,860	21,267	8.71%	187.0	1:17	1:14	1:10	2,233	2,155	-0.09%	96.51%
2023	2,224	48,734,591	21,913	3.04%	187.0	1:19	1:15	1:12	2,226	2,108	-0.31%	94.70%

Source: District records

Note:

- a Enrollment based on annual October district count
- b Operating expenditures equal total expenditures less debt service and capital outlay
- c Cost per pupil represents operating expenditures divided by enrollment

**CLARK PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

<u>District Building</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Elementary</u>										
Valley Road Elementary School										
Square Feet	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612
Enrollment	446	440	445	452	460	482	482	401	400	420
Frank K. Hehnly Elementary School										
Square Feet	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497
Enrollment	526	533	540	540	563	545	545	560	560	572
<u>Middle School</u>										
Carl H. Kumpf										
Square Feet	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812
Enrollment	527	513	499	505	482	505	505	558	558	516
<u>High School</u>										
Arthur L. Johnson										
Square Feet	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825
Enrollment	798	795	774	728	671	675	675	708	706	717

Number of Schools at June 30, 2023

 Elementary = 2

 Middle School = 1

 High School = 1

Source: District records

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(UNAUDITED)**

Undistributed Expenditures - Required
Maintenance for School Facilities
11-000-261-XXX

<u>School Facilities</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Frank K. Hehnlly Elementary	\$ 116,835	\$ 101,436	\$ 113,744	\$ 65,655	\$ 48,752	\$ 59,681	\$ 63,782	\$ 88,047	\$ 74,275	\$ 76,860
Valley Road Elementary	121,642	90,545	101,532	55,554	41,251	53,273	56,933	78,593	66,300	68,608
Carl H. Kumpf M.S.	121,471	166,795	187,033	106,058	78,753	98,135	104,878	144,778	122,132	126,384
Arthur L. Johnson H.S.	298,960	429,908	482,071	277,770	322,723	252,938	270,318	373,160	314,790	325,750
Other Facilities	-	-	-	-	-	-	-	-	-	-
Total School Facilities	<u>\$ 658,908</u>	<u>\$ 788,684</u>	<u>\$ 884,380</u>	<u>\$ 505,037</u>	<u>\$ 491,479</u>	<u>\$ 464,027</u>	<u>\$ 495,911</u>	<u>\$ 684,578</u>	<u>\$ 577,497</u>	<u>\$ 597,602</u>

**CLARK PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
AS OF JUNE 30, 2023
(Unaudited)**

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:			
	Property		
	Blanket Building & Contents	\$ 123,559,723	\$ 5,000
	Blanket Extra Expense	2,000,000	
	Comprehensive General Liability		
	Bodily Injury and Property Damage	1,000,000	
	Employee Benefits Liability	1,000,000	
	Automobile Liability		
	Bodily Injury and Property Damage	1,000,000	
	Uninsured Motorist - Private Passenger	1,000,000	
	School Leaders Errors and Omission Liability - NJSIG	1,000,000	10,000
	Workers Compensation	100,000	Each Accident/ Each Employee
	Student Accident	500,000	
	Public Employee Dishonesty with Faithful Performance	250,000	1,000
	Cyber Liability & Privacy Crisis Management		
	Cyber - Each Event Limit	1,000,000	
	Privacy Crisis - Each Event Limit	100,000	
	Cyber Extortion Expense - Each Threat	20,000	
Surety Bonds:			
	Treasurer	300,000	
	Board Secretary/Business Administrator	300,000	

Source: District Records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Clark Public School District
Clark, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Clark Public School District as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Clark Public School District's basic financial statements and have issued our report thereon dated January 9, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

However, we noted a certain matter that is not required to be reported under Government Auditing Standards that we reported to management of the Clark Public School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 9, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clark Public School 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 Clark Public School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
January 9, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Clark Public School District
Clark, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Clark Public School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Clark Public School District's major federal and state programs for the fiscal year ended June 30, 2023. The Clark Public School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Clark Public School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 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 prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements 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, U.S. Uniform Guidance and New Jersey OMB Circular 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 Clark Public School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Clark Public School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey 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 the Clark Public School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Clark Public School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Clark Public School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Clark Public School District, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 9, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
January 9, 2024

CLARK PUBLIC SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2022			Accounts Receivable Carryover Amount	Unearned Revenue Carryover Amount	Cash Received	Budgetary Expenditures	Accounts Receivable Adjustment	Deferred Revenue Adjustment	Cancelled Encumbrance	Refund of Prior Years' Balances	Balance, June 30, 2023			MEMO GAAP Receivable	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor									(Account Receivable)	Unearned Revenue	Due to Grantor		
U.S. Department of Human Services																				
Passed-through State Department of Education																				
General Fund																				
Medicaid Assistance	93.778	2005NJ5MAP	7/1/22-6/30/23	\$ 14,696	-	-	-	-	\$ 14,696	\$ 14,696	-	-	-	-	-	-	-	-	-	
Medicaid Assistance - FFCRA CARES	93.778	2005NJ5MAP	7/1/22-6/30/23	1,486	-	-	-	-	1,486	1,486	-	-	-	-	-	-	-	-	-	
Total General Fund									16,182	16,182										
U.S. Department of Agriculture																				
Passed-through State Department of Education																				
National School Lunch Program																				
Cash Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	140,639	-	-	-	-	133,015	140,639	-	-	-	-	\$ (7,624)	-	-	-	\$ (7,624)	
Cash Assistance	10.555	221NJ304N1099	7/1/21-6/30/22	1,022,914	\$ (70,308)	-	-	-	70,308	-	-	-	-	-	-	-	-	-	-	
Cash Assistance - Supply Chain	10.555	231NJ304N1099	7/1/22-6/30/23	113,525	-	-	-	-	113,525	113,525	-	-	-	-	-	-	-	-	-	
Non-Cash Assistance (Food Distribution)	10.555	231NJ304N1099	7/1/22-6/30/23	77,250	-	-	-	-	77,250	70,604	-	-	-	-	\$ 6,646	-	-	-	-	
Non-Cash Assistance (Food Distribution)	10.555	221NJ304N1099	7/1/21-6/30/22	60,664	-	\$ 1,983	-	-	-	1,983	-	-	-	-	-	-	-	-	-	
Total U.S. Department of Agriculture/Child Nutrition Cluster					(70,308)	1,983			394,098	326,751					(7,624)				(7,624)	
U.S. Department of Education																				
Passed-through State Department of Education																				
Special Revenue Fund																				
IDEA Part B, Basic Regular	84.027A	H027A220100	7/1/22-9/30/23	557,965	-	-	-	\$ (17,898)	\$ 17,898	464,030	536,750	-	-	-	(11,833)	39,113	-	-	(72,720)	
IDEA Part B, Basic Regular	84.027A	H027A210100	7/1/21-9/30/22	553,492	(80,521)	17,898	-	17,898	(17,898)	62,623	-	-	-	-	-	-	-	-	-	
IDEA Preschool	84.173A	H173A220114	7/1/22-9/30/23	25,085	-	-	-	(2,909)	2,909	27,994	27,994	-	-	-	-	-	-	-	-	
IDEA Preschool	84.173A	H173A210114	7/1/21-9/30/22	22,702	(2,909)	2,909	-	2,909	(2,909)	-	-	-	-	-	-	-	-	-	-	
ARP IDEA Basic	84.027X	H027X210100	7/1/21-9/30/22	123,000	(101,271)	72,239	-	-	-	70,282	46,532	-	-	-	(30,989)	25,707	-	-	(5,282)	
ARP IDEA Preschool	84.173X	H173X210114	7/1/21-9/30/22	10,504	(9,606)	9,606	-	-	-	351	351	\$ 9,255	\$ (9,255)	-	-	-	-	-	-	
Special Education Cluster (IDEA)					(194,307)	102,652			625,280	611,627	9,255	(9,255)			(142,822)	64,820			(78,002)	
ESEA																				
Title I	84.010	S010A220030	7/1/22-9/30/23	110,725	-	-	-	(18,785)	18,785	115,639	129,187	-	-	-	(13,871)	323	-	-	(13,548)	
Title I	84.010	S010A210030	7/1/21-9/30/22	199,990	(18,785)	18,785	-	18,785	(18,785)	-	-	-	-	-	-	-	-	-	-	
Title II A	84.367A	S367A220029	7/1/22-9/30/23	39,641	-	-	-	(24,844)	24,844	6,023	7,617	17,227	(17,227)	-	(41,235)	39,641	-	-	(1,594)	
Title II A	84.367A	S367A210029	7/1/21-9/30/22	43,858	(51,619)	24,844	-	24,844	(24,844)	26,775	-	-	-	-	-	-	-	-	-	
Title III, Immigrant	84.365	S365A220030	7/1/22-9/30/23	2,567	-	-	-	-	-	2,460	-	-	-	-	(2,567)	107	-	-	(2,460)	
Title IV	84.424	S424A220031	7/1/22-9/30/23	17,327	-	-	-	(8,297)	8,297	3,000	12,593	3,089	(3,089)	-	(19,535)	9,942	-	-	(9,593)	
Title IV	84.424	S424A210031	7/1/21-9/30/22	11,388	(14,467)	8,297	-	8,297	(8,297)	6,170	-	-	-	-	-	-	-	-	-	
Workforce Investment - WIA	17.259	N/A	7/1/15-6/30/16	30,000	-	1,987	-	-	-	-	-	-	-	-	-	1,987	-	-	-	
Workforce Investment - WIA	17.259	N/A	7/1/14-6/30/15	30,000	-	2,456	-	-	-	-	-	-	-	-	-	2,456	-	-	-	
Improvement Grant for Children With Disabilities	84.323	H323A210011	N/A	1,825	-	1,825	-	-	-	-	-	-	-	-	-	1,825	-	-	-	
Non Public Digital Divide CARES Act	21.019	CR220COVID19	7/16/20-10/31/20	23,926	-	71	-	-	-	-	-	-	-	-	-	71	-	-	-	
Elementary and Secondary School Emergency Relief Fund (Esser) ESSER I - CARES Emergency Relief Grant	84.425D	S425D200027	3/13/20-9/30/22	151,820	(331)	331	-	-	-	-	331	(331)	-	-	-	-	-	-	-	
Coronavirus Response and Relief Supplemental Act ESSER II	84.425D	S425D210027	3/13/20-9/30/23	511,341	(293,220)	321,407	-	-	-	4,913	33,100	-	-	-	(288,307)	288,307	-	-	-	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	32,815	(25,172)	25,172	-	-	-	2,403	24,803	-	-	-	(22,769)	369	-	-	(22,400)	
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)	45,000	-	-	-	-	45,000	-	-	-	(45,000)	-	-	-	(45,000)	
American Rescue Plan - Elementary and Secondary Schools ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,149,206	(1,118,706)	993,206	-	-	-	625,862	894,470	-	-	-	(492,844)	98,736	-	-	(394,108)	
Accelerated Learning Coaching and Educator Support Grant	84.425U	S425U210027	3/13/20-9/30/24	171,525	(171,525)	171,525	-	-	-	-	-	-	-	-	(171,525)	171,525	-	-	-	
Evidence-Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000	-	-	-	-	-	-	-	-	(40,000)	40,000	-	-	-	
Evidence-Based Comprehensive Beyond the School	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000	-	-	-	-	-	-	-	-	(40,000)	40,000	-	-	-	
NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	45,000	-	-	-	-	-	-	-	-	(45,000)	45,000	-	-	-	
Total ESSER Cluster					(1,778,954)	1,681,641			633,178	997,373	331	(331)			(1,145,445)	683,937			(461,508)	
Total U.S. Department of Education - Special Revenue					(2,058,132)	1,842,558			1,416,065	1,760,857	29,902	(29,902)			(1,365,475)	805,109			(566,705)	
Total Federal Awards					\$ (2,128,440)	\$ 1,844,541	\$ -	\$ -	\$ -	\$ 1,826,345	\$ 2,103,790	\$ 29,902	\$ (29,902)	\$ -	\$ -	\$ (1,373,099)	\$ 811,755	\$ -	\$ -	\$ (574,329)

This schedule was subject to Single Audit in accordance with U.S. Uniform Guidance.

See the Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2022			Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Accounts Receivable Adjustment	Balance, June 30, 2023			Memo	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	\$ 2,076,427				\$ 1,879,170	\$ 2,076,427			\$ (197,257)			\$ 2,076,427	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	1,545,766	\$ (144,637)			144,637				-				
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	55,181				49,939	55,181			(5,242)			55,181	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	55,181	(5,163)			5,163				-				
Total State Aid Public Cluster				(149,800)			2,078,909	2,131,608			(202,499)				2,131,608
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	256,592				232,216	256,592			(24,376)			256,592	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	256,592	(24,009)			24,009				-				
Nonpublic School Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	30,264					30,264			(30,264)		\$ (30,264)	30,264	
Nonpublic School Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	26,680	(26,680)			26,680				-				
Total State Aid Transportation Cluster				(50,689)			282,905	286,856			(54,640)			(30,264)	286,856
Lead Testing for Schools Aid	23-495-034-5120-104	7/1/22-6/30/23	6,002				6,002	6,002							6,002
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	400,723					400,723			(400,723)				400,723
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	434,760	(434,760)			434,760				-				
Securing Our Children's Future - Abyssa's	N/A	7/1/20-6/30/21	125,800	(125,800)			125,339		\$ 461						
Reimbursed TPAF Social Security Contribution	23-495-034-5094-003	7/1/22-6/30/23	1,220,385				1,097,301	1,220,385			(123,084)		(123,084)	1,220,385	
Reimbursed TPAF Social Security Contribution	22-495-034-5094-003	7/1/21-6/30/22	1,220,385	(60,820)			60,820				-				
On-Behalf TPAF Pension Benefit Contribution	23-495-034-5094-002	7/1/22-6/30/23	5,723,036				5,723,036	5,723,036						5,723,036	
On-Behalf TPAF Pension NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	79,401				79,401	79,401						79,401	
On-Behalf TPAF Long-Term Disability Ins.	23-495-034-5094-004	7/1/22-6/30/23	1,934				1,934	1,934						1,934	
On-Behalf TPAF Post Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	1,524,286				1,524,286	1,524,286						1,524,286	
Total General Fund				(821,869)			11,414,693	11,374,231		461	(780,946)			(153,348)	11,374,231
Special Revenue Fund															
New Jersey Non-Public Aid															
Auxiliary Services															
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	170,977				170,977	138,164				\$ 32,813			138,164
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	232,012		\$ 78,561				\$ 78,561						
English as Second Language	23-100-034-5120-067	7/1/22-6/30/23	1,403				1,403	802					601	802	
Transportation	23-100-034-5120-068	7/1/22-6/30/23	7,485				7,485	7,485						7,485	
Home Instruction	23-100-034-5120-066	7/1/22-6/30/23	2,354					2,354			(2,354)		(2,354)	2,354	
Home Instruction	22-100-034-5120-066	7/1/21-6/30/22	169	(169)			169				-				
Total Non Public Aux. Service Aid (Chap. 192) Cluster				(169)		78,561	180,034	148,805	78,561		(2,354)		33,414	(2,354)	148,805
Handicapped Services															
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	69,581				69,581	44,949					24,632		44,949
Examination and Classification	22-100-034-5120-066	7/1/21-6/30/22	69,201			6,639			6,639						
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	20,460				20,460	15,252					5,208		15,252
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	27,342			9,206			9,206						
Supplementary Instruction	23-100-034-5120-066	7/1/22-6/30/23	57,820				57,820	43,861					13,959		43,861
Supplementary Instruction	22-100-034-5120-066	7/1/21-6/30/22	49,560			1			1						
Total Non Public Hand. Service Aid (Chap. 193) Cluster						15,846	147,861	104,062	15,846				43,799		104,062
Climate Change Awareness Grant	N/A	5/1/23-6/30/23	6,660				6,653	6,653							6,653
Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	34,188				34,188	34,146					42		34,146
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	34,091			1,747			1,747						
Nursing Services	23-100-034-5120-070	7/1/22-6/30/23	58,128				58,128	57,964					164		57,964
Nursing Services	22-100-034-5120-070	7/1/21-6/30/22	63,616			2,256			2,256						
Technology Aid	23-100-034-5120-373	7/1/22-6/30/23	21,756				21,756	19,005					2,751		19,005
Technology Aid	22-100-034-5120-373	7/1/21-6/30/22	23,856			3,196			3,196						
Security	23-100-034-5120-509	7/1/22-6/30/23	106,395				106,395	104,725					1,670		104,725
Security	22-100-034-5120-509	7/1/21-6/30/22	99,400			1,587			1,587						
Total Special Revenue Fund				(169)		103,193	555,015	475,360	103,193		(2,354)		81,840	(2,354)	475,360

CLARK PUBLIC SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2022				Refund of Prior Years' Balances	Accounts Receivable Adjustment	Balance, June 30, 2023			Memo		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Cash Received			Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Enterprise Fund															
National School Lunch (State Share)	23-100-010-3350-023	7/1/22-6/30/23	\$ 8,842				\$ 8,364	\$ 8,842		\$ (478)				\$ (478)	\$ 8,842
National School Lunch (State Share)	22-100-010-3350-023	7/1/21-6/30/22	24,124	\$ (1,618)	-	-	1,618	-	-	-	-	-	-	-	-
Total Enterprise Fund				(1,618)	-	-	9,982	8,842	-	(478)	-	-	-	(478)	8,842
Total State Financial Assistance Subject to Single Audit Determination				(823,656)		\$ 103,193	11,979,690	11,858,433	\$ 103,193	\$ 461	(783,778)	-	\$ 81,840	(156,180)	11,858,433
State Financial Assistance Not Subject to Single Audit Determination															
General Fund															
On-Behalf TPAF Pension Benefit Contribution	23-495-034-5094-002	7/1/22-6/30/23	5,723,036				(5,723,036)	(5,723,036)							(5,723,036)
On-Behalf TPAF Pension NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	79,401				(79,401)	(79,401)							(79,401)
On-Behalf TPAF Long-Term Disability Ins.	23-495-034-5094-004	7/1/22-6/30/23	1,934				(1,934)	(1,934)							(1,934)
On-Behalf TPAF Post Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	1,524,286				(1,524,286)	(1,524,286)							(1,524,286)
Total State Financial Assistance Utilized for Calculation to Determine Major Programs				\$ (823,656)	\$ -	\$ 103,193	\$ 4,651,033	\$ 4,529,776	\$ 103,193	\$ 461	\$ (783,778)	\$ -	\$ 81,840	\$ (156,180)	\$ 4,529,776

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 REPORTING ENTITY

The Clark Public School District (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board's financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain 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, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$19,029 for the general fund and a decrease of \$247,530 for the special revenue fund. See the Notes to Required Supplementary Information 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 revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 16,182	\$ 11,355,202	\$ 11,371,384
Special Revenue Fund	1,522,803	465,885	1,988,688
Food Service Fund	<u>326,751</u>	<u>8,842</u>	<u>335,593</u>
Total Financial Assistance	<u>\$ 1,865,736</u>	<u>\$ 11,829,929</u>	<u>\$ 13,695,665</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,220,385 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$5,802,437, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,524,286 and TPAF Long-Term Disability Insurance in the amount of \$1,934 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

- 1) Were material weakness(es) identified? yes X no
- 2) Significant deficiencies identified that are not considered to be material weakness(es)? yes X none reported

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

Internal control over compliance:

- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiencies identified that are not considered to be material weakness(es)? 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 Uniform Guidance? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of State Program</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA - ESSER II</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - ESSER III</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part 2 – Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

There are none.

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

**CLARK PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2022-001

Condition:

Our audit revealed net cash resources exceeded three months of average expenditures at June 30, 2022 in the Food Service Fund.

Status:

Corrective action is currently being taken. See Auditor's Management Report.