

GATEWAY REGIONAL HIGH SCHOOL DISTRICT

Woodbury Heights, New Jersey
County of Gloucester

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

GATEWAY REGIONAL HIGH SCHOOL DISTRICT

WOODBURY HEIGHTS, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by

**Gateway Regional High School District
Finance Department**

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INTRODUCTORY SECTION

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Gateway Regional High School District

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Woodbury Heights, New Jersey 08096-6218

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January 19, 2024

Honorable President and
Members of the Board of Education
Gateway Regional High School District
Woodbury Heights, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Gateway Regional High School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School 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 School District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditors report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, the Uniform Guidance and New Jersey State OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Gateway Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the School District are included in this report. The Gateway Regional High School District Board of Education and its one school constitute the School District's reporting entity.

The School District provides a full range of educational services appropriate to grade levels 7 through 12. The School District had an enrollment of 849 students in June 2023. This is the same number of students from the district's June 2022 enrollment. The following details the changes in the student enrollment as of the end of each school year over the last ten years:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	849	0.00%
2021-2022	849	-1.16%
2020-2021	859	-2.94%
2019-2020	885	-0.11%
2018-2019	886	-0.89%
2017-2018	894	-4.08%
2016-2017	932	-2.71%
2015-2016	958	1.27%
2014-2015	946	5.94%
2013-2014	893	0.45%

2. ECONOMIC CONDITION AND OUTLOOK: The service area is not experiencing any significant development or expansion. The district's enrollment has remained consistent. The district has seen a rise in the number of students considered homeless as families are forced to relocate out of district due to economic necessity. The state and national economy are reflected in the employment base of the area and continues to affect each of the communities. The State imposed 2% CAP on the district tax levy was passed in January 2012 to provide relief to the taxpayers of New Jersey. The Gateway Board of Education, being cognizant of the struggles of its taxpayers, has adopted budgets at or below the CAP with the exception of the 2015-16, 2016-17 and 2017-18 school years. The Board felt compelled to exceed the 2% CAP during those years in order to maintain staff and programs, due to flat or no additional funding from the State. The district has benefited from increases in State aid since that time.

3. MAJOR INITIATIVES:

A. Current Year Accomplishments:

District goals continue to emphasize improvement of students' academic skills and preparing them for college and career readiness. All programs are focused on skills needed to demonstrate proficiency in the New Jersey Student Learning Standards for both Mathematics and Language Arts subtests of the NJ Student Learning Assessment. The School District continues to strive to show improvement in test score passing rates and have added programs and revised curriculum. Curricula in all content areas continue to be revised to provide instruction that is differentiated, engaging and supports inquiry.

While the COVID19 crisis has complicated efforts to collect meaningful data, we remain committed to internal measurements using LinkIt! Benchmarks and teacher-developed assessments. Beyond traditional measurements, we also are expanding use of project- and problem- based learning and the use of rubric assessments across all curriculum areas.

To provide students instruction in 21stCentury skills, the School District continues to incorporate technology across the curricula and into the everyday operation of the School District. The School District has completed the implementation of a 1:1 initiative. Students are able to enhance learning through the use of technological tools and the ability to interact with courses, assessments, and activities online.

3. MAJOR INITIATIVES (continued):

To provide structured learning experiences, the School District continues the “Gateway to Careers” program. This program provides students the ability to secure internships throughout the community to attain workplace skills. The School District has partnered with NJ Talent Network and other organizations to assist in providing students the best experiences possible.

The School District continues to be a Choice School. The program is focused on increasing the minority populations, so that the community can benefit from other perspectives. A total of 80 students attended grades 7-12. A number of these students reside in other counties, but still chose to attend Gateway. The district will continue the program and will strive to fill all available seats.

The Board continues to set aside funds into capital and maintenance reserve accounts for various projects to update and maintain its facilities. The district recently upgraded and/or added air conditioning in the cafeteria and locker rooms.

B. Future and Continuing Projects:

The Board continues to focus its efforts on reducing costs by providing and being part of shared services with the four municipal school districts. During the audit year, Gateway continued to provide business office, child study team, and curriculum services to three of the elementary sending districts; shared Superintendent services to two of the elementary districts; and Facility Director services to all four of the elementary districts. Gateway also shares other auxiliary services in purchasing, food service, and transportation with the constituent districts.

There is a strong commitment to advance technology both in classroom instruction and after school student access, as well as internal student management areas including attendance, scheduling, grade reporting, and other administrative functions. Infrastructure, hardware and software have been purchased to allow greater record access both internally as well as provide the links necessary for increased community/parent interaction with their students’ records. Departments continually plan for resources that are Online or technology based.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2023.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the School District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to Financial Statements," Note 1.

7. DEBT ADMINISTRATION: The District entered into 25-year indebtedness with the passage of a \$8.9 million bond issue in March of 2004 that will be paid off in the 2028-29 school year. Building renovations and additions as well as site reconstruction were completed in 2004. The School District took advantage of state share funding in the amount of \$6.3 million dollars through the Educational Development Council. The School District was able to refinance the issue in May 2012, for additional savings to the taxpayers. As of June 30, 2023, the District's outstanding debt issues were \$2,600,000.

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

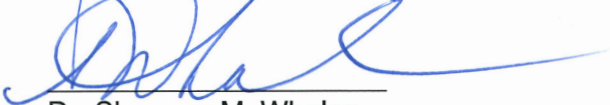
9. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile, liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Being one of the Charter Districts in 1998, forming the Gloucester, Cumberland, Salem School District (GCSSD) Joint Insurance Fund, the District has benefited greatly from higher levels of coverage and stability in rising insurance industry premium costs.

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holt McNally & Associates Inc. is the appointed School District auditor. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and the related Uniform Guidance, and New Jersey OMB's Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

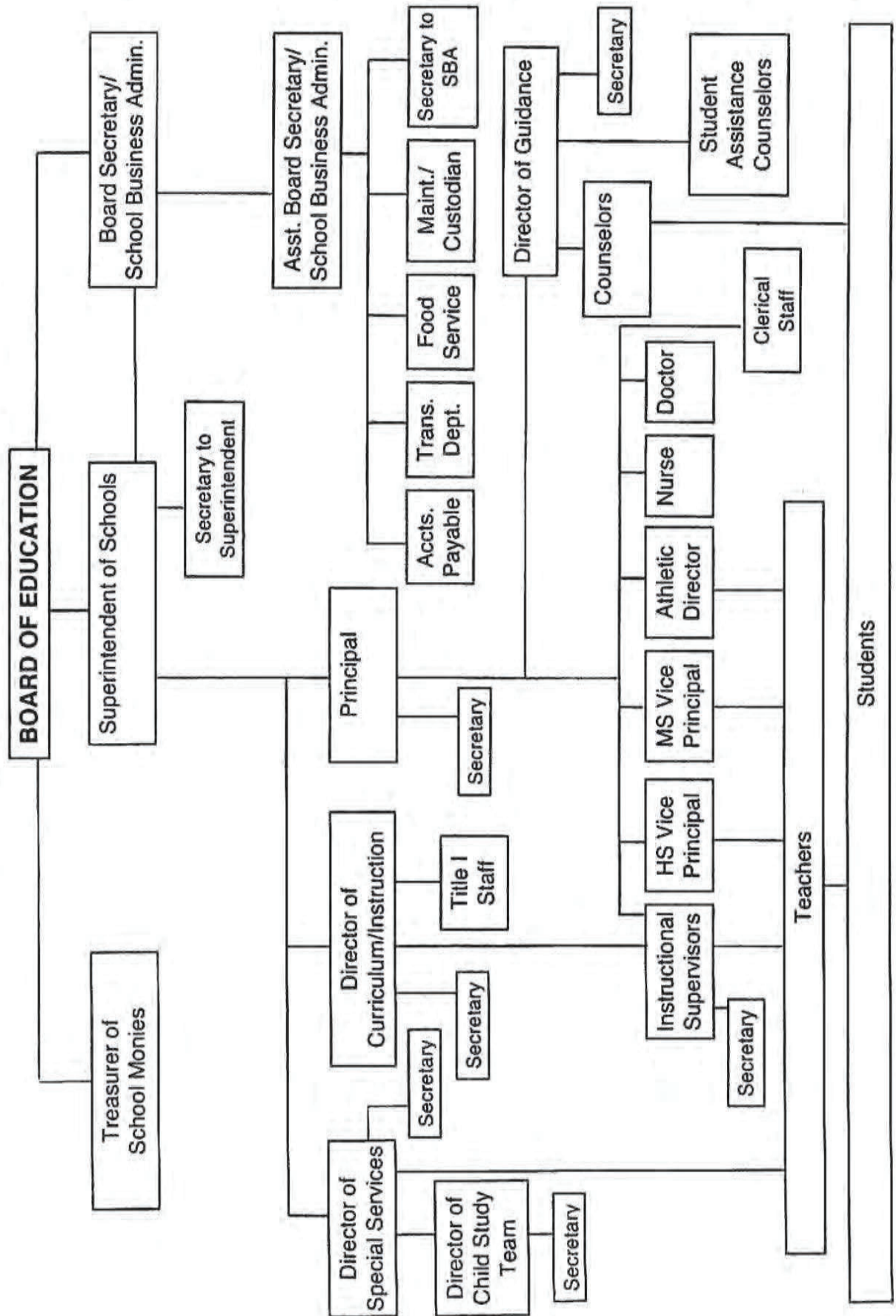


Dr. Shannon M. Whalen
Superintendent



Janice Grassia, CPA
School Business Administrator/Board Secretary

ORGANIZATIONAL CHART GATEWAY REGIONAL HIGH SCHOOL DISTRICT



GATEWAY REGIONAL HIGH SCHOOL DISTRICT
Woodbury Heights, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2023

	TERM EXPIRES
MEMBERS OF THE BOARD OF EDUCATION	
Robert Miller, President	2024
Harry Bush, Vice President	2023
Michelle Edmund	2025
Elizabeth Follis	2023
Jeanette Iverson-Rattle	2025
Christine Patrick	2025
Judi Pye	2023
Tamar Shelov	2024
Connie Steedle	2023

OTHER OFFICIALS

Dr. Shannon M. Whalen, Superintendent

Janice Grassia, Business Administrator/Board Secretary

Lauren Granate, Assistant Business Administrator/Assistant Board Secretary

Charles J. Owens Treasurer

GATEWAY REGIONAL HIGH SCHOOL DISTRICT
Woodbury Heights, New Jersey

CONSULTANTS AND ADVISORS

AUDIT FIRM

David McNally, CPA, RMA, PSA
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Capehart Scatchard, P.A.
8000 Midlantic Drive, Suite 300S
PO Box 5016
Mount Laurel, New Jersey 08054
Joseph F. Betley, Esq.

OFFICIAL DEPOSITORY

Ocean First Bank
State of New Jersey Cash Management

FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Gateway Regional High School District
County of Gloucester
Woodbury Heights, New Jersey

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Gateway Regional High School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Gateway Regional High School District, County of Gloucester, State of New Jersey, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 School District, and to meet our 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.

618 Stokes Road, Medford, NJ 08055

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Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2024 on our consideration of the 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 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 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 School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 19, 2024

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The Management Discussion and Analysis (MD&A) of Gateway Regional High School District’s (the School District) financial performance provides an overall review of the School District’s financial activities for the fiscal year ended on June 30, 2023. The intent of this discussion and analysis is to look at the School District’s financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District’s financial performance. Certain comparative information between the current fiscal year (2022-2023) and the prior fiscal year (2021-2022) is required and is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2023 fiscal year are as follows:

The overall General Fund - fund balance (budgetary basis) increased \$609,287 from the prior fiscal year to \$7,879,458 as of June 30, 2023 (See Exhibit C-1).

At the conclusion of the fiscal year, the district’s Unassigned General Fund balance (budgetary basis) was \$630,883. The State of New Jersey limits the amount of unassigned fund balance to 2% of the adjusted general fund expenditures plus certain allowable adjustments. The amount of unassigned fund balance at the end of the current year is at the maximum allowed.

The amount of unassigned general fund balance in the School District’s general fund on a GAAP basis was \$(282,711). The amount of unassigned general fund balance in the School District’s general fund on a budgetary basis is \$630,883. The between the budgetary basis and the GAAP basis is the final two State aid payments in the amount of \$913,594.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Gateway Regional High School District as a financial whole, an entire operating entity. Required supplementary information and other supplementary information proceed to provide an increasingly detailed look at specific financial activities.

The focus of governmental accounting differs from that of business enterprises. In government, the financial statement user is concerned with determining accountability for funds, evaluating operating results, and assessing of service that can be provided by the governmental along with its ability to meet obligations as they become due. In comparison, the primary emphasis in the private sector from both an operational and reporting perspective is on the maximization of profits.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District’s finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Gateway Regional High School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Government-Wide Financial Statements

This document contains the large number of funds used by the School District to provide programs and activities. The view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2023?” The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets, deferred outflows of resources,

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. These bases of accounting take in to account all of the current year's revenues and expenditures, regardless of when cash is received or paid.

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

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

- ◆ Governmental Activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities and pupil transportation.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis in order to recover all the expenses of the goods or services provided. The Food Service Fund is reported as business activities. The District has three internal service funds for; Child Study Team, Business Services and Superintendent services.

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Proprietary Funds

The School District maintains four proprietary fund types, one enterprise fund and three internal service funds. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that the costs of providing goods or services be financed through user charges. The Food Service Fund provides for the operation of food services in the School District's high school and provides for the elementary schools in the sending district. The proprietary fund has been included within the business-type activities in the government-wide financial statements.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the school district as a whole (governmental and business-type activities). Net position may serve over time as a useful indicator of a government's financial position.

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

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

TABLE I - NET POSITION

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
ASSETS				
Current Assets	\$ 7,716,989	\$ 7,732,011	\$ 475,333	\$ 424,070
Capital Assets, Net	13,874,034	13,981,781	3,176	3,519
Total Assets	21,591,023	21,713,792	478,509	427,589
Deferred Outflows of Resources	870,908	723,666	-	-
Total Assets and Deferred Outflows of Resources	\$ 22,461,931	\$ 22,437,458	\$ 478,509	\$ 427,589
LIABILITIES				
Current Liabilities	\$ 977,120	\$ 1,097,564	\$ 48,328	\$ 57,972
Noncurrent Liabilities	8,262,669	7,684,889	-	-
Total Liabilities	9,239,789	8,782,453	48,328	57,972
Deferred Inflows of Resources	886,697	2,574,646	-	-
Total Liabilities and Deferred Inflows of Resources	10,126,486	11,357,099	48,328	57,972
NET POSITION				
Net Investment in Capital Assets	11,274,034	10,941,781	3,176	3,519
Restricted	7,231,334	6,698,030	-	-
Unrestricted (Deficit)	(6,169,923)	(6,559,452)	427,005	366,098
Total Net Position	\$ 12,335,445	\$ 11,080,359	\$ 430,181	\$ 369,617

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The School District as a Whole (continued)

The School District's combined net position was \$12,765,626 on June 30, 2023. This was an increase of \$1,315,650 or 11.49% from the prior year. For the Governmental Activities the largest component of net position is Net Investment in Capital Assets. For Business-Type activities, the largest component of net position is Unrestricted Net Position.

Table 2 provides a summary of the School District's changes in net position for fiscal year 2023 compared to fiscal year 2022.

TABLE 2 - CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
Revenues:				
Program Revenues:				
Charges for Services	\$ 1,295,310	\$ 1,177,455	\$ 256,808	\$ 35,090
Operating Grants & Contributions	4,670,278	5,743,495	598,292	1,202,444
General Revenues				
Property Taxes	12,328,412	12,115,080	-	-
Grants & Entitlements	9,700,234	9,230,309	-	-
Miscellaneous	1,598,231	1,130,937	1,893	327
Prior Year Receivables Cancelled	(423,036)	-	-	-
Total Revenues	29,169,429	29,397,276	856,993	1,237,861
Function/Program Expenditures:				
Instruction	9,643,433	9,374,727	-	-
Support Services	18,040,794	18,104,473	-	-
Transfer to Charter School	40,921	23,664	-	-
Interest and Other Charges	189,195	195,266	-	-
Food Service Fund	-	-	796,429	984,691
Total Expenses	27,914,343	27,698,130	796,429	984,691
Increase in Net Position before Transfers	1,255,086	1,699,146	60,564	253,170
Changes in Net Position	1,255,086	1,699,146	60,564	253,170
Net Position- July 1	11,080,359	9,381,213	369,617	116,447
Net Postion- June 30	\$ 12,335,445	\$ 11,080,359	\$ 430,181	\$ 369,617

Governmental Activities

During the fiscal year 2023, the net position of governmental activities increased by \$1,255,086 or 11.33%, compared to an increase of \$1,699,146 in the prior year. The main contributor to this decrease in the change from the prior year is the cancellation of prior year receivable balances.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Governmental Activities (continued)

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$12,335,445, with an unrestricted deficit balance of \$(6,169,923). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

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

TABLE 3 - GASB 68 EFFECT ON UNRESTRICTED NET POSITION

Unrestricted Net Position (With GASB 68)	\$	(6,169,923)
Add back: PERS Pension Liability		4,994,206
Less: Deferred Outflows related to pensions		(870,908)
Add back: Deferred Inflows related to pensions		886,697
		886,697
Unrestricted Net Position (Without GASB 68)	\$	(1,159,928)

Business-type Activities

During the fiscal year 2023, the net position of business-type activities increased by \$60,564 or 16.39%. This increase was the result of reduced expenses and receipt of supply chain assistance funding in the current fiscal year.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$430,181.

General Fund Budgeting Highlights

Final budgeted revenues were \$22,363,852, which equaled the original budget. Excluding On-Behalf revenues, the School District’s actual revenues exceeded estimated revenues by \$754,190.

Final budgeted appropriations were \$25,158,151 which was an increase of \$56,569 from the original budget. The increase is due to prior year reserve for encumbrances, which increase budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted revenues, the School District’s budget appropriations exceeded actual expenditures by \$2,649,396.

As previously mentioned, the School District’s general fund budgetary basis fund balance (Exhibit C-1) was \$7,879,458 at June 30, 2023, an increase of \$609,287 from the prior year.

Governmental Funds

General Fund

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance on the GAAP basis of accounting of \$7,069,309, an increase of \$183,871 from the prior year.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

General Fund (continued)

As of June 30, 2023, the District has an unassigned fund balance of \$(282,711). The School District designated \$2,848,275 in excess surplus for the subsequent years’ expenditures, which is restricted for the subsequent years’ budget. Current year excess surplus was \$2,723,280. Additionally, the District maintains a capital reserve restricted fund balance in the amount of \$1,070,462 for future capital improvements and maintenance reserve of \$392,113. \$93,759 is restricted for Unemployment Compensation claims and \$120,686 is recorded in encumbrances and assigned to other purposes.

Special Revenue Fund

Special Revenue fund – The fund balance for the special revenue fund increased 39,672 in the current year, compared to an increase of \$38,644 in the prior year.

Capital Projects Fund

Capital projects fund – The fund balance for the capital projects fund decreased to a deficit of \$321,106 in the current year due to the closing out of past projects and cancellation of receivables.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District’s food service fund increased by \$60,564 to \$430,181 at June 30, 2023, compared to an increase of \$253,170 in fund balance in the prior fiscal year.

Internal service funds – The School District’s three internal service fund had a decrease in fund balance of \$107,735.

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$13,877,210 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. Overall, the capital assets decreased by \$108,090 from fiscal year 2022 to fiscal year 2023. The primary reason for the decrease is due to the additions offset by depreciation. Table 4 shows combining 2023 balances compared to 2022.

TABLE 4 - SUMMARY OF CAPITAL ASSETS

<u>Capital Assets (Net of Depreciation):</u>	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 159,975	\$ 159,975	\$ -	0.00%
Land Improvements	6,527,539	6,527,539	-	0.00%
Building and Improvements	20,439,759	20,439,759	-	0.00%
Equipment	4,980,514	4,190,504	790,010	18.85%
Accumulated Depreciation	(18,230,577)	(17,332,477)	(898,100)	5.18%
	<u>\$ 13,877,210</u>	<u>\$ 13,985,300</u>	<u>\$ (108,090)</u>	-0.77%

Combined depreciation expense for the year was \$898,100. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 7) of this report.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

For the Future

This administration and Board of Education fully understands the dynamics of strategic thinking and have established a collaborative decision-making process that incorporates a deliberate approach to strategic planning initiatives. Resources are evaluated, needs assessed, and progress measured. Key decisions are examined in scenario-based discussions and final goals are established after consideration from all stakeholders.

The School District is proud of its community support of the public schools. A major concern is the sustained enrollment of the School District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is uncertain.

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

Requests for Information

This financial report is designed to provide a general overview of the Gateway Regional High School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator, Janice Grassia, located at 775 Tanyard Road, Woodbury Heights, New Jersey or email at: jgrassia@gatewayhs.com.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 4,864,940	\$ 401,230	\$ 5,266,170
Receivables, Net (Note 4)	1,214,193	70,886	1,285,079
Inventory	-	3,217	3,217
Restricted Assets:			
Restricted Cash & Cash Equivalents	1,556,334	-	1,556,334
Right to Use Assets, Net (Note 5)	17,910	-	17,910
Intangible Assets, Net (Note 6)	63,612	-	63,612
Capital Assets:			
Non-Depreciable (Note 7)	159,975	-	159,975
Depreciable, Net (Note 7)	13,714,059	3,176	13,717,235
Total Assets	21,591,023	478,509	22,069,532
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflows Related to Pensions (Note 10)	870,908	-	870,908
Total Deferred Outflow of Resources	870,908	-	870,908
Total Assets and Deferred Outflow of Resources	22,461,931	478,509	22,940,440
LIABILITIES			
Accounts Payable	306,304	35,867	342,171
Payroll Taxes Payable	115,232	-	115,232
Accrued Interest	31,096	-	31,096
Due to Other Governments	479,211	-	479,211
Unearned Revenue	45,277	12,461	57,738
Noncurrent Liabilities (Note 9):			
Due Within One Year	528,477	-	528,477
Due Beyond One Year	7,734,192	-	7,734,192
Total Liabilities	9,239,789	48,328	9,288,117
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 10)	886,697	-	886,697
Total Deferred Inflow of Resources	886,697	-	886,697
Total Liabilities and Deferred Inflow of Resources	10,126,486	48,328	10,174,814
NET POSITION			
Net Investment in Capital Assets	11,274,034	3,176	11,277,210
Restricted For:			
Capital Projects	749,356	-	749,356
Debt Service	1	-	1
Maintenance Reserve	392,113	-	392,113
Excess Surplus	5,571,555	-	5,571,555
Unemployment Compensation	93,759	-	93,759
Student Activities	414,364	-	414,364
Scholarships	10,186	-	10,186
Unrestricted/(Deficit)	(6,169,923)	427,005	(5,742,918)
Total Net Position	\$ 12,335,445	\$ 430,181	\$ 12,765,626

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

**GATEWAY REGIONAL HIGH 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 & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
Governmental Activities:							
Instruction:							
Regular	\$ 6,072,985	\$ -	-	(6,072,985)	\$ -	\$ (6,072,985)	
Special Education	2,587,733	-	627,002	(1,960,731)	-	(1,960,731)	
Other Special Instruction	235,374	-	-	(235,374)	-	(235,374)	
Other Instruction	747,341	-	-	(747,341)	-	(747,341)	
Support Services & Undistributed Costs:							
Student & Instruction Related Services	6,121,822	882,972	1,203,880	(4,034,970)	-	(4,034,970)	
General Administration	481,096	-	-	(481,096)	-	(481,096)	
School Administrative Services	559,931	67,000	-	(492,931)	-	(492,931)	
Central Services	766,418	345,338	-	(421,080)	-	(421,080)	
Plant Operations & Maintenance	2,245,215	-	-	(2,245,215)	-	(2,245,215)	
Pupil Transportation	1,547,693	-	-	(1,547,693)	-	(1,547,693)	
Unallocated Benefits	6,318,619	-	2,839,396	(3,479,223)	-	(3,479,223)	
Interest and Other Charges	189,195	-	-	(189,195)	-	(189,195)	
Transfer to Charter School	40,921	-	-	(40,921)	-	(40,921)	
Total Governmental Activities	27,914,343	1,295,310	4,670,278	(21,948,755)	-	(21,948,755)	
Business-Type Activities:							
Food Service	796,429	256,808	598,292	-	58,671	58,671	
Total Business-Type Activities	796,429	256,808	598,292	-	58,671	58,671	
Total Primary Government	\$ 28,710,772	\$ 1,552,118	\$ 5,268,570	(21,948,755)	58,671	(21,890,084)	

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	NET (EXPENSE)/REVENUE AND CHANGES IN NET POSITION
General Revenues:				
Taxes:				
Property Taxes, Levied for General Purposes	11,777,524	-	11,777,524	
Property Taxes Levied for Debt Service	550,888	-	550,888	
Federal & State Aid Not Restricted	9,700,234	-	9,700,234	
Tuition	197,843	-	197,843	
Transportation Fees	937,838	-	937,838	
Interest Earnings	35	1,893	1,928	
Miscellaneous Income	462,515	-	462,515	
Special Items:				
Prior Year Receivables Canceled	(423,036)	-	(423,036)	
Total General Revenues & Transfers	23,203,841	1,893	23,205,734	
Change In Net Position	1,255,086	60,564	1,315,650	
Net Position - Beginning	11,080,359	369,617	11,449,976	
Net Position - Ending	\$ 12,335,445	\$ 430,181	\$ 12,765,626	

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B. Fund Financial Statements

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Governmental Funds

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Assets:					
Cash & Cash Equivalents	\$ 4,675,998	\$ 113,583	\$ -	\$ 1	\$ 4,789,582
Interfund Receivable	321,106	177	-	-	321,283
Accounts Receivable:					
Federal	-	591,613	-	-	591,613
State	259,486	706	-	-	260,192
Other	342,189	-	-	-	342,189
Restricted Cash & Cash Equivalents	1,556,334	-	-	-	1,556,334
Total Assets	\$ 7,155,113	\$ 706,079	\$ -	\$ 1	\$ 7,861,193
Liabilities & Fund Balances:					
Liabilities:					
Accounts Payable	\$ 73,840	\$ 232,464	\$ -	\$ -	\$ 306,304
Due to State	-	3,788	-	-	3,788
Interfund Payable	177	-	321,106	-	321,283
Payroll Taxes Payable	115,232	-	-	-	115,232
Unearned Revenue	-	45,277	-	-	45,277
Total Liabilities	189,249	281,529	321,106	-	791,884
Fund Balances:					
Restricted for:					
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	2,848,275	-	-	-	2,848,275
Excess Surplus - Current Year	2,723,280	-	-	-	2,723,280
Capital Reserve Account	1,070,462	-	-	-	1,070,462
Maintenance Reserve Account	392,113	-	-	-	392,113
Unemployment Compensation	93,759	-	-	-	93,759
Student Activities	-	414,364	-	-	414,364
Scholarships	-	10,186	-	-	10,186
Capital Projects	-	-	(321,106)	-	(321,106)
Debt Service Fund	-	-	-	1	1
Assigned to:					
Other Purposes	120,686	-	-	-	120,686
Unassigned:					
General Fund	(282,711)	-	-	-	(282,711)
Total Fund Balances	6,965,864	424,550	(321,106)	1	7,069,309
Total Liabilities & Fund Balances	\$ 7,155,113	\$ 706,079	\$ -	\$ 1	
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 \$31,969,397 and the accumulated depreciation is \$18,095,363 (See Note 7).					13,874,034
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$23,824 and the accumulated amortization is \$5,914 (See Note 5).					17,910
Intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$76,335 and the accumulated amortization is \$12,723 (See Note 6).					63,612
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.					
Deferred Outflows related to pensions					870,908
Deferred Inflows related to pensions					(886,697)
Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.					(475,423)
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the current period.					(31,096)
Internal service funds are used by the School District to charge related services to other school district's. The assets and liabilities of the internal service fund are included with governmental activities.					95,557
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 (See Note 9)					(8,262,669)
Net Position of Governmental Activities					\$ 12,335,445

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 11,777,524	\$ -	\$ -	\$ 550,888	\$ 12,328,412
Tuition - From Other LEAS	197,843	-	-	-	197,843
Transportation Fee from Other LEAs	937,838	-	-	-	937,838
Interest on Investments	35	-	-	-	35
Miscellaneous	462,515	441,730	-	-	904,245
Total Revenues - Local Sources	13,375,755	441,730	-	550,888	14,368,373
State Sources	14,624,730	108,923	-	-	14,733,653
Federal Sources	36,677	1,326,528	-	-	1,363,205
Total Revenues	28,037,162	1,877,181	-	550,888	30,465,231
Expenditures:					
Current Expense:					
Regular Instruction	5,642,831	-	-	-	5,642,831
Special Education Instruction	1,960,731	627,002	-	-	2,587,733
Other Instruction	235,374	-	-	-	235,374
School Sponsored Activities	747,341	-	-	-	747,341
Support Services & Undistributed Costs:					
Student & Instruction Related Services	4,440,103	593,442	-	-	5,033,545
General Administration	391,320	-	-	-	391,320
School Administrative Services	491,748	-	-	-	491,748
Central Services	421,080	-	-	-	421,080
Plant Operations & Maintenance	2,173,394	-	-	-	2,173,394
Student Transportation Services	1,404,052	-	-	-	1,404,052
Unallocated Benefits	9,217,614	46,299	-	-	9,263,913
Capital Outlay	243,068	570,766	-	-	813,834
Transfer to Charter School	40,921	-	-	-	40,921
Debt Service					
Principal	-	-	-	440,000	440,000
Interest and Other Charges	84,175	-	-	110,887	195,062
Total Expenditures	27,493,752	1,837,509	-	550,887	29,882,148
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	543,410	39,672	-	1	583,083
Other Financing Sources/(Uses):					
Prior Year Receivables/Payables Canceled	-	-	(423,036)	-	(423,036)
Leases (Nonbudget)	23,824	-	-	-	23,824
Total Other Financing Sources/(Uses)	23,824	-	(423,036)	-	(399,212)
Net changes in Fund Balance	567,234	39,672	(423,036)	1	183,871
Fund Balances July 1,	6,398,630	384,878	101,930	-	6,885,438
Fund Balances June 30	\$ 6,965,864	\$ 424,550	\$ (321,106)	\$ 1	\$ 7,069,309

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 183,871

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

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

	Depreciation Expense	\$ (897,757)	
	Capital Outlays	<u>790,010</u>	(107,747)

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

	Amortization Expense	(5,914)	
	Additions	<u>23,824</u>	17,910

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

	Amortization Expense	(12,723)	
	Additions	<u>76,335</u>	63,612

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 445,914

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 767,129

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. 5,867

Proceeds from lease payable issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets. (23,824)

The Internal Service Fund is used by the School District to charge the cost of Related Services to other Districts. The activity of this fund is included in the Statement of Activities. (107,735)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 10,089

Change in Net Position of Governmental Activities \$ 1,255,086

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

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Proprietary Funds

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2023**

	Business-Type Activities	Governmental Activities	
	Food Service Fund	Internal Service Fund	Total
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 401,230	\$ 75,358	\$ 476,588
Accounts Receivable:			
Federal	24,919	-	24,919
State	887	-	887
Other	45,080	20,199	65,279
Inventories	3,217	-	3,217
Total Current Assets	475,333	95,557	570,890
Capital Assets:			
Equipment	138,390	-	138,390
Less: Accumulated Depreciation	(135,214)	-	(135,214)
Total Capital Assets	3,176	-	3,176
Total Assets	478,509	95,557	574,066
LIABILITIES			
Unearned Revenue	12,461	-	12,461
Accounts Payable	35,867	-	35,867
Total Liabilities	48,328	-	48,328
NET POSITION			
Net Investment in Capital Assets	3,176	-	3,176
Unrestricted	427,005	95,557	522,562
Total Net Position	\$ 430,181	\$ 95,557	\$ 525,738

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities	Governmental Activities	Total
	Food Service Fund	Internal Service Fund	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 207,254	\$ -	\$ 207,254
Daily Sales - Nonreimbursable Programs	41,344	-	41,344
Special Functions	8,210	-	8,210
Services to Other Districts	-	1,295,310	1,295,310
Total Operating Revenues	256,808	1,295,310	1,552,118
Operating Expenses:			
Salaries	333,924	1,169,623	1,503,547
Employee Benefits	79,008	195,329	274,337
Supplies & Materials	96,251	13,221	109,472
Other Purchased Services	37,514	23,180	60,694
Cost of Sales - Reimbursable	228,598	-	228,598
Cost of Sales - Non Reimbursable	18,927	-	18,927
Miscellaneous Expenditures	1,864	1,692	3,556
Depreciation Expense	343	-	343
Total Operating Expenses	796,429	1,403,045	2,199,474
Operating Income/(Loss)	(539,621)	(107,735)	(647,356)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	8,413	-	8,413
State School Reduced Lunch & Breakfast Program	9,812	-	9,812
Federal Sources:			
National School Breakfast Program	118,176	-	118,176
National School Lunch Program	360,148	-	360,148
Healthy Hunger-Free Kids Act	10,220	-	10,220
Supply Chain Assistance Award	21,011	-	21,011
Food Distribution Program	70,512	-	70,512
Interest Revenue	1,893	-	1,893
Total Nonoperating Revenues	600,185	-	600,185
Change in Net Position	60,564	(107,735)	(47,171)
Total Net Position - Beginning	369,617	203,292	572,909
Total Net Position - Ending	\$ 430,181	\$ 95,557	\$ 525,738

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities	Governmental Activities	Totals
	Food Service Fund	Internal Service Fund	
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 219,147	\$ 1,317,990	\$ 1,537,137
Payments to Employees	-	(1,169,623)	(1,169,623)
Payments for Employee Benefits	-	(195,329)	(195,329)
Payments to Suppliers	(737,654)	(43,279)	(780,933)
Net Cash Provided/(Used) by Operating Activities	(518,507)	(90,241)	(608,748)
Cash Flows From Noncapital Financing Activities:			
State Sources	18,187	-	18,187
Federal Sources	541,300	-	541,300
Net Cash Provided/(Used) by Noncapital Financing Activities	559,487	-	559,487
Cash Flows From Investing Activities:			
Interest Earnings	1,893	-	1,893
Net Cash Provided/(Used) by Investing Activities	1,893	-	1,893
Net Increase/(Decrease) in Cash & Cash Equivalents	42,873	(90,241)	(47,368)
Balances - Beginning of Year	358,357	165,599	523,956
Balances - End of Year	<u>\$ 401,230</u>	<u>\$ 75,358</u>	<u>\$ 476,588</u>

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

Operating Income/(Loss)	\$ (539,621)	\$ (107,735)	\$ (647,356)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Food Distribution Program	70,512	-	70,512
Depreciation & Net Amortization	343	-	343
(Increase)/Decrease in Accounts Receivable	(38,727)	20,761	(17,966)
(Increase)/Decrease in Interfund Receivable	-	1,919	1,919
(Increase)/Decrease in Inventories	(1,370)	-	(1,370)
Increase/(Decrease) in Unearned Revenue	1,066	-	1,066
Increase/(Decrease) in Accounts Payable	(10,710)	(5,186)	(15,896)
Total Adjustments	21,114	17,494	38,608
Net Cash Provided/(Used) by Operating Activities	<u>\$ (518,507)</u>	<u>\$ (90,241)</u>	<u>\$ (608,748)</u>

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

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GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The Gateway Regional High School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades seven through twelve at its school. The School District has an approximate enrollment as of June 30, 2023 of 849 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14 The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14 and GASB Statement No. 90 – Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61. The School District had no component units as of for the year ended June 30, 2023.

Government-Wide Financial Statements

The School District’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the School District are

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

not included in these statements.

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the School District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

measurable and available when cash is received.

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

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements.

The School District reports the following major governmental funds:

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

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

The School District reports the following major proprietary fund:

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

Internal Service Fund (Related Service) – The internal service funds of the School District are Child Study Team, Business Services and Chief School Administrator which are used in order to account for the services provided to other local school districts.

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

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

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations, and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

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

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

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

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents (Continued)

insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Payable/Receivable

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

Inventories

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

Interfund Receivables/Payables

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

Capital Assets

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

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

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Compensated Absences

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

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Fund Balance

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

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.
- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The District has implemented this standard as of June 30, 2023.

Recently Issued Accounting Pronouncements

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

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

Bond Premiums, Discounts and Issuance Costs

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

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

Deferred Loss on Refunding Debt

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District’s bank balance of \$7,881,628 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	7,167,279
Uninsured and Uncollateralized		714,349
		\$ 7,881,628

Investments

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

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by the inclusion of \$200,000 in October of 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 3. Reserve Accounts (continued)

The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2022	\$	149,291
Increased by:		
Interest Earnings		65
Deposits approved by Board		921,106
Ending Balance, June 30, 2023	\$	1,070,462

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account 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. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

Maintenance Reserve

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

Beginning Balance, July 1, 2022	\$	367,078
Increased by:		
Interest Earnings		35
Deposits approved by Board		25,000
Ending Balance, June 30, 2023	\$	392,113

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 4. Accounts Receivable

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

<u>Description</u>	<u>Governmental Funds</u>			<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Internal Service Fund</u>	
Federal Awards	\$ -	\$ 591,613	\$ -	\$ 591,613
State Awards	259,486	706	-	260,192
Other	342,189	-	20,199	362,388
Total	\$ 601,675	\$ 592,319	\$ 20,199	\$ 1,214,193

<u>Description</u>	<u>Proprietary Funds</u>	<u>Total</u>
	<u>Food Service Fund</u>	<u>Business-Type Activities</u>
Federal Awards	\$ 24,919	\$ 24,919
State Awards	887	887
Other	45,080	45,080
Total	\$ 70,886	\$ 70,886

Note 5. Right to Use Assets

The School District has recorded right to use lease assets during the current fiscal year. The assets are right to use assets for leased copier machines. The right to use lease asset is amortized over the terms of the related lease. The related lease is discussed in the Leases subsection of Note 9, Long-Term Obligations.

Right to use asset activity for the School District for the year ended June 30, 2023, was as follows:

	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2023</u>
Governmental Activities:				
Right to Use Assets:				
Leased copier machines	\$ -	\$ 23,824	\$ -	\$ 23,824
Total Right to Use Assets	-	23,824	-	23,824
Less: Accumulated Amortization:				
Leased copier machines	-	(5,914)	-	(5,914)
Total Accumulated Amortization	-	(5,914)	-	(5,914)
Right to Use Assets, Net	\$ -	\$ 17,910	\$ -	\$ 17,910

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 6. Intangible Assets

The School District has recorded intangible assets due to implementation of GASB 96. The assets are subscription-based information technology arrangements for various software throughout the District. The intangible asset is amortized on a straight-line basis over the terms of the related subscription arrangement.

Intangible asset activity for the School District for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:				
Intangible Assets:				
SBITA's - Curriculum Software	\$ -	\$ 76,335	\$ -	\$ 76,335
Total Intangible Assets	-	76,335	-	76,335
Less: Accumulated Amortization:				
SBITA's - Curriculum Software	-	(12,723)	-	(12,723)
Total Accumulated Amortization	-	(12,723)	-	(12,723)
Intangible Assets, Net	\$ -	\$ 63,612	\$ -	\$ 63,612

Note 7. Capital Assets

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

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Sites	\$ 159,975	\$ -	\$ -	\$ 159,975
Total Capital Assets not being depreciated	159,975	-	-	159,975
Capital Assets being depreciated:				
Site Improvements	6,527,539	-	-	6,527,539
Buildings and Improvements	20,439,759	-	-	20,439,759
Equipment	4,052,114	790,010	-	4,842,124
Total Capital Assets being depreciated	31,019,412	790,010	-	31,809,422
Less: Accumulated Depreciation:				
Site Improvements	(4,441,735)	(296,442)	-	(4,738,177)
Buildings and Improvements	(9,958,186)	(368,370)	-	(10,326,556)
Equipment	(2,797,685)	(232,945)	-	(3,030,630)
Total Accumulated Depreciation	(17,197,606)	(897,757)	-	(18,095,363)
Total Capital Assets being depreciated, net	13,821,806	(107,747)	-	13,714,059
Total Governmental Activities Capital Assets, net	\$ 13,981,781	\$ (107,747)	\$ -	\$ 13,874,034

Depreciation expense was allocated as follows:

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 7. Capital Assets (continued)

Governmental Activities:	
Regular Instruction	\$ 493,766
Student and Instruction Related Services	98,753
General Administration	89,776
Operations and Maintenance	71,821
Transportation	<u>143,641</u>
Total Depreciation Expense	<u>\$ 897,757</u>

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
Business-Type Activities:				
Equipment	\$ 138,390	\$ -	\$ -	\$ 138,390
Total Capital Assets being depreciated	<u>138,390</u>	<u>-</u>	<u>-</u>	<u>138,390</u>
Less: Accumulated Depreciation:				
Equipment	(134,871)	(343)	-	(135,214)
Total Capital Assets being depreciated, net	<u>(134,871)</u>	<u>(343)</u>	<u>-</u>	<u>(135,214)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 3,519</u>	<u>\$ (343)</u>	<u>\$ -</u>	<u>\$ 3,176</u>

Note 8. Interfund Receivables, Payables and Transfers

Individual fund receivable/payable balances as of June 30, 2023 were as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 321,106	\$ 177
Special Revenue Fund	177	-
Capital Projects Fund	<u>-</u>	<u>321,106</u>
	<u>\$ 321,283</u>	<u>\$ 321,283</u>

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Long-Term Obligations

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

	Balance <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2023</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 3,040,000	\$ -	\$ 440,000	\$ 2,600,000	\$ 440,000
Leases Payable	-	23,824	5,914	17,910	6,224
Compensated Absences	660,642	34,808	44,897	650,553	82,253
Net Pension Liability	3,984,247	1,009,959	-	4,994,206	-
	<u>\$ 7,684,889</u>	<u>\$ 1,068,591</u>	<u>\$ 490,811</u>	<u>\$ 8,262,669</u>	<u>\$ 528,477</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, financed purchases and net pension liability are liquidated by the general fund.

A. Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On May 13, 2012, the District issued \$6,275,000 in Refunding School Bonds with interest rates ranging from 2.00% to 4.00% to refund the remaining balance of the 2004 School Bonds.

Principal and Interest due on the outstanding bonds is as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 440,000	\$ 93,288	\$ 533,288
2025	440,000	75,687	515,687
2026	435,000	59,188	494,188
2027	435,000	42,875	477,875
2028	430,000	26,562	456,562
2029	420,000	13,125	433,125
	<u>\$ 2,600,000</u>	<u>\$ 310,725</u>	<u>\$ 2,910,725</u>

B. Leases:

On July 1 2022, the District entered into an agreement as the Lessee for the use of copier machines. An initial lease liability was recorded in the amount of \$23,824. As of June 30, 2023, the value of the lease liability is \$17,910. The District is required to make monthly fixed payments in the amount of \$583. The interest rate associated with this lease is 5.25%.

The principal and interest requirements to maturity are as follows:

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Long-Term Obligations (continued)

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 6,224	\$ 771	\$ 6,995
2025	6,550	445	6,995
2026	5,136	110	5,246
	\$ 17,910	\$ 1,326	\$ 19,236

C. Bonds Authorized But Not Issued:

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

Note 10. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$4,994,206 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.03309%, which was a decrease of 0.00054% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense/(benefit) of \$(348,302) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 36,046	\$ 31,787
Changes of Assumptions	15,474	747,830
Net Difference between Projected and Actual Earnings on Pension Plan Investments	206,706	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	137,259	107,080
School District Contributions Subsequent to Measurement Date	475,423	-
	\$ 870,908	\$ 886,697

\$475,423 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending Dec 31,	Amount
2023	\$ (403,600)
2024	(205,621)
2025	(100,277)
2026	218,767
2027	(481)
	\$ (491,212)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022		5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	5.00	-
June 30, 2022	5.00	
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2027	2.85 - 6.55% Based on Years of Service
Thereafter	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 6,470,429	\$ 4,994,206	\$ 3,816,171

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
District's portion of the Plan's total Net Pension Liability	0.03309%	0.03363%

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of June 30, 2023. The State's proportionate share of the contribution associated with the special funding situation was \$10,508 as of June 30, 2023. These are based on measurements as of June 30, 2022.

B. Teachers' Pension and Annuity Fund (TPAF)

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

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

The following represents the membership tiers for TPAF:

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

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

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

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$42,037,216. The School District's proportionate share was \$-0-.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.08148%, which was a decrease of 0.00142% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the School District recognized \$1,131,339 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

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

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%

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.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

B. 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 (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	49,289,529	42,037,216	35,928,054
	<u>\$ 49,289,529</u>	<u>\$ 42,037,216</u>	<u>\$ 35,928,054</u>

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

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
District's portion of the Plan's total Net Pension Liability	0.08148%	0.08290%

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued)

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per
- week for State employees, or 32 hours per week for local government or local education employees

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

For the year ended June 30, 2023, employee contributions totaled \$21,891, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$11,940.

Note 11. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued)

General Information about the OPEB Plan (continued)

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Total Nonemployer OPEB Liability: \$ 50,646,462,966

	TPAF/ABP	PERS	PFRS
Salary Increases:	2.75 - 4.25% based on years of service	2.75 - 6.55% based on years of service	3.25 - 16.25% based on years of service

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued)

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

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$47,849,450. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.09448%, which was an increase of 0.00002% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$964,782 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increased to 13.44% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increased to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreased 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.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued)

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 56,241,995	\$ 47,849,450	\$ 41,123,245
State of New Jersey's Total Non- employer Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 39,550,495	\$ 47,849,450	\$ 58,750,631
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

* See Healthcare Cost Trend Assumptions for details of rates.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ -	\$ -
Differences between Expected & Actual Experience	9,042,402,619	(15,462,950,679)
Change in Assumptions	8,765,620,577	(17,237,289,230)
Contributions Made in Fiscal Year Year Ending 2023 After June 30, 2022 Measurement Date **	TBD	-
	\$ 17,808,023,196	\$ (32,700,239,909)

** Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,	
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,175,449,761)
2027	(1,243,951,140)
Thereafter	(3,921,361,006)
	\$ (14,892,216,713)

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

	June 30, 2021
Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
	364,817

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued)

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Total OPEB Liability

Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Difference Between Expected & Actual Experience	1,399,200,736
Change in Benefit Terms	-
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	<u>(1,329,476,059)</u>
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	<u>60,007,650,970</u>
Total OPEB Liability (Ending)	<u>\$ 50,646,462,966</u>
Total Covered Employee Payroll	\$ 14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

Note 12. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for pension, post-retirement medical costs, long-term disability and social security were \$3,377,053, \$887,144, \$1,032 and \$695,944, respectively.

Note 13. Risk Management

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

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

Joint Insurance Pool – The School District also participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund. The purpose of this is to permit member Boards of Education to make use of their powers and resources by cooperating on a basis that will be of mutual advantage and to provide a procedure for development, administration, and provision of Risk Management Programs, a Joint Self Insurance Fund, Joint Insurance Purchases and related services for members and their employees for the following:

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 13. Risk Management (continued)

- Workers Compensation and Employers Liability
- Automobile and Equipment Liability
- General Liability and Property Damage
- School Board Legal Liability
- Boiler and Machinery

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

<u>Fiscal Year</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 118	\$ 24,486	\$ 39,693	\$ 93,759
2021-2022	128	23,633	-	108,848
2020-2021	124	31,827	5,999	85,087

Note 14. Contingencies

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

Litigation – The School District is not a defendant in any lawsuits. It is the opinion of the School Districts’ attorney that no contingent liability exists that would have a material adverse effect on the financial condition of the School District.

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

Note 15. Deferred Compensation

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 15. Deferred Compensation (continued)

Lincoln Investment Planning	Siracusa Benefits Program
Metropolitan Life Insurance	AXA Equitable

Note 16. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2023, the liability for compensated absences reported on the government-wide Statement of Net Position was \$650,553.

Note 17. Tax Abatements

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

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

Note 18. Commitments

The School District has \$120,686 in contractual commitments at June 30, 2023.

Note 19. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$2,723,280.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 20. Fund Balances

General Fund – Of the \$6,965,864 General Fund balance at June 30, 2023, \$1,070,462 has been restricted for the Capital Reserve Account; \$392,113 has been restricted for the Maintenance Reserve Account; \$2,723,280 has been restricted for current year excess surplus; \$2,848,275 is restricted for prior year excess surplus; \$93,759 has been restricted for Unemployment Compensation; \$120,686 has been assigned for other purposes and \$(282,711) has been unassigned.

Special Revenue Fund – Of the \$424,550 Special Revenue Fund Balance at June 30, 2023, \$414,364 is restricted for student activities and \$10,186 is restricted for scholarships.

Debt Service Fund Balance – Of the \$1 Debt Service Fund Balance, \$1 is restricted for future Debt Service.

Note 21. Deficit Fund Balance

General Fund – The School District has a deficit fund balance of \$282,711 in the General Revenue Fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the fund statements (modified accrual basis) of \$282,711 is less than or equal to the last two state aid payments.

Capital Projects Fund – The School District has a deficit fund balance of \$321,106 in the Capital Projects fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). The deficit balance was the result of the District cancelling a ROD grant receivable in the current year. The cancellation was made by the District due to the State rescinding ROD Grant G5-6265 funding and the expiration of a grant agreement as of June 30, 2016. The District plans to fund this deficit during the 2023-2024 fiscal year with a transfer from capital reserve.

Note 22. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$6,169,923 at June 30, 2023. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 23. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and January 19, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items other than the below have come to the attention of the School District that would require disclosure.

Issuance of Leases – On September 1, 2023, the District leased right to use assets (copier machines) in the amount of \$142,891. The lease carries an interest rate of 3.00% and matures on August 30, 2028.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBER	JUNE 30, 2023				POSITIVE (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 11,777,524	\$ -	\$ 11,777,524	\$ 11,777,524	\$ -
Tuition - From Other LEAS	10-1320	125,000	-	125,000	197,843	72,843
Transportation Fee from Other LEAs	10-1420	895,000	-	895,000	937,838	42,838
Interest Earned on Maintenance Reserve	10-1xxx	35	-	35	35	-
Interest Earned on Capital Reserve	10-1xxx	65	-	65	65	-
Miscellaneous	10-1xxx	29,000	-	29,000	462,450	433,450
Total Local Sources		12,826,624	-	12,826,624	13,375,755	549,131
State Sources:						
Categorical Special Education Aid	10-3132	581,865	-	581,865	581,865	-
Equalization Aid	10-3176	7,636,130	-	7,636,130	7,636,130	-
Security Aid	10-3177	192,533	-	192,533	192,533	-
Categorical Transportation Aid	10-3121	502,794	-	502,794	502,794	-
School Choice Aid	10-3116	598,320	-	598,320	598,320	-
Extraordinary Aid	10-3131	-	-	-	164,985	164,985
Non Public Transportation	10-3xxx	-	-	-	15,723	15,723
State Homeless Tuition	10-3xxx	-	-	-	10,674	10,674
State Reimb. For Lead Testing of Drinking Water	10-3300	-	-	-	2,586	2,586
Nonbudgeted:						
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	887,144	887,144
On-Behalf TPAF Pension Contributions		-	-	-	3,377,053	3,377,053
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,032	1,032
Reimbursed TPAF Social Security Contributions		-	-	-	695,944	695,944
Total State Sources		9,511,642	-	9,511,642	14,666,783	5,155,141
Federal Sources:						
Medicaid Reimbursement	10-4200	25,586	-	25,586	33,025	7,439
Medicaid Reimbursement - FFCRA/SEMI	10-4210	-	-	-	3,652	3,652
Total Federal Sources		25,586	-	25,586	36,677	11,091
Total Revenues		22,363,852	-	22,363,852	28,079,215	5,715,363
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Grades 6 - 8	11-130-100-101	1,737,807	(50,000)	1,687,807	1,561,602	126,205
Grades 9 - 12	11-140-100-101	3,459,565	50,000	3,509,565	3,481,391	28,174
Home Instruction:						
Salaries of Teachers	11-150-100-101	22,000	-	22,000	3,185	18,815
Purchased Professional - Educational Services	11-150-100-320	12,000	-	12,000	5,939	6,061
Regular Programs - Undistributed Instruction:						
Purchased Professional - Educational Services						
Purchased Technical Services	11-190-100-320	6,650	-	6,650	350	6,300
Other Purchased Services	11-190-100-340	178,426	(5,450)	172,976	78,924	94,052
General Supplies	11-190-100-500	63,066	657	63,723	22,296	41,427
Textbooks	11-190-100-610	510,366	12,897	523,263	473,239	50,024
Other Objects	11-190-100-640	9,540	77	9,617	8,851	766
Other Objects	11-190-100-800	13,691	-	13,691	7,054	6,637
Total Regular Programs		6,013,111	8,181	6,021,292	5,642,831	378,461
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	250,374	-	250,374	178,429	71,945
Other Salaries for Instruction	11-204-100-106	139,350	-	139,350	128,875	10,475
Purchased Technical Services	11-204-100-340	12,000	-	12,000	-	12,000
General Supplies	11-204-100-610	30,000	-	30,000	8,103	21,897
Other Objects	11-204-100-800	1,000	-	1,000	140	860
Total Learning and/or Language Disabilities		432,724	-	432,724	315,547	117,177

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	194,056	-	194,056	184,671	9,385
Other Salaries for Instruction	11-209-100-106	67,250	-	67,250	62,210	5,040
Purchased Professional - Technical Services	11-209-100-340	6,000	-	6,000	-	6,000
General Supplies	11-209-100-610	8,000	3,283	11,283	6,237	5,046
Other Objects	11-209-100-800	2,000	-	2,000	-	2,000
Total Multiple Disabilities:		277,306	3,283	280,589	253,118	27,471
Resource Room:						
Salaries of Teachers	11-213-100-101	1,185,329	(98,000)	1,087,329	1,062,786	24,543
Other Salaries for Instruction	11-213-100-106	205,157	110,000	315,157	288,115	27,042
Purchased Technical Services	11-213-100-340	7,000	-	7,000	-	7,000
General Supplies	11-213-100-610	7,000	-	7,000	5,651	1,349
Other Objects	11-213-100-800	1,000	-	1,000	-	1,000
Total Resource Room		1,405,486	12,000	1,417,486	1,356,552	60,934
Home Instruction:						
Salaries of Teachers	11-219-100-101	24,500	-	24,500	2,259	22,241
Purchased Professional Educational Services	11-219-100-320	13,500	25,000	38,500	33,255	5,245
Total Home Instruction		38,000	25,000	63,000	35,514	27,486
Total Special Education		2,153,516	40,283	2,193,799	1,960,731	233,068
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	243,464	-	243,464	235,374	8,090
General Supplies	11-230-100-610	500	-	500	-	500
Total Basic Skills/Remedial		243,964	-	243,964	235,374	8,590
Bilingual Education - Instruction:						
General Supplies	11-240-100-610	500	-	500	-	500
Total Bilingual Education - Instruction:		500	-	500	-	500
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	174,452	-	174,452	146,604	27,848
Other Purchased Services	11-401-100-500	12,200	-	12,200	9,589	2,611
Supplies and Materials	11-401-100-600	29,600	996	30,596	18,151	12,445
Other Objects	11-401-100-800	1,850	-	1,850	1,129	721
Total School Sponsored Cocurricular Activities		218,102	996	219,098	175,473	43,625
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	460,116	-	460,116	440,001	20,115
Purchased Services	11-402-100-500	155,710	(6,500)	149,210	47,270	101,940
Supplies and Materials	11-402-100-600	74,532	12,032	86,564	66,281	20,283
Other Objects	11-402-100-800	37,185	-	37,185	18,316	18,869
Total School Sponsored Athletics - Instruction		727,543	5,532	733,075	571,868	161,207
Total - Instruction		9,356,736	54,992	9,411,728	8,586,277	825,451
Undistributed Expenditures:						
Tuition						
Tuition to Other LEA'S Within State - Regular	11-000-100-561	-	10,500	10,500	10,164	336
Tuition to Other LEA'S Within State - Special	11-000-100-562	-	66,300	66,300	30,594	35,706
Tuition to County Vocational Schools - Regular	11-000-100-563	187,902	-	187,902	170,914	16,988
Tuition to CSSD & Regular Day Schools	11-000-100-565	722,670	(279,451)	443,219	358,784	84,435
Tuition to Private School for Handicapped - State	11-000-100-566	864,706	50,000	914,706	790,608	124,098
Tuition - Other	11-000-100-569	31,800	-	31,800	30,960	840
Total Tuition		1,807,078	(152,651)	1,654,427	1,392,024	262,403

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Attendance & Social Work Services:						
Salaries	11-000-211-100	30,900	-	30,900	25,200	5,700
Purchased Professional and Technical Services	11-000-211-300	8,750	1,500	10,250	10,190	60
Other Purchased Services	11-000-211-500	175	-	175	-	175
Supplies and Materials	11-000-211-600	250	-	250	-	250
Total Attendance & Social Work Services		40,075	1,500	41,575	35,390	6,185
Health Services:						
Salaries	11-000-213-100	237,130	-	237,130	230,658	6,472
Purchased Professional and Technical Services	11-000-213-300	30,000	-	30,000	22,689	7,311
Other Purchased Services	11-000-213-500	3,000	500	3,500	3,401	99
Supplies and Materials	11-000-213-600	4,000	-	4,000	2,943	1,057
Other Objects	11-000-213-800	175	-	175	100	75
Total Health Services		274,305	500	274,805	259,791	15,014
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	56,350	-	56,350	36,450	19,900
Purchased Professional - Educational Services	11-000-216-320	35,000	62,000	97,000	95,986	1,014
Supplies and Materials	11-000-216-600	5,000	(4,000)	1,000	149	851
Total Other Support Services - Students - Related Services		96,350	58,000	154,350	132,585	21,765
Other Support Services - Students - Extraordinary Services:						
Salaries	11-000-217-100	217,800	(153,000)	64,800	64,500	300
Total Other Support Services - Students - Extraordinary Services		217,800	(153,000)	64,800	64,500	300
Other Support Services - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	650,893	-	650,893	613,233	37,660
Salaries of Secretarial & Clerical Assistants	11-000-218-105	48,820	-	48,820	45,320	3,500
Other Salaries	11-000-218-110	176,756	-	176,756	128,476	48,280
Purchased Professional - Educational Services	11-000-218-320	5,710	-	5,710	3,212	2,498
Other Purchased Professional & Technical Services	11-000-218-390	25,140	-	25,140	24,581	559
Other Purchased Services	11-000-218-500	19,180	(1,500)	17,680	6,910	10,770
Supplies and Materials	11-000-218-600	13,195	-	13,195	10,061	3,134
Other Objects	11-000-218-800	3,364	-	3,364	1,640	1,724
Total Other Support Services - Guidance		943,058	(1,500)	941,558	833,433	108,125
Other Support Services - Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	153,216	-	153,216	-	153,216
Salaries of Secretarial & Clerical Assistants	11-000-219-105	43,415	1	43,416	43,415	1
Other Salaries	11-000-219-110	44,000	-	44,000	34,322	9,678
Purchased Educational Services	11-000-219-320	481,100	29,000	510,100	506,455	3,645
Other Purchased Professional & Technical Services	11-000-219-390	13,650	-	13,650	-	13,650
Other Purchased Services	11-000-219-500	13,000	(12,000)	1,000	-	1,000
Supplies and Materials	11-000-219-600	2,500	-	2,500	715	1,785
Other Objects	11-000-219-800	1,800	-	1,800	-	1,800
Total Other Support Services - Child Study Team		752,681	17,001	769,682	584,907	184,775
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	496,048	-	496,048	467,140	28,908
Salaries of Secretarial & Clerical Assistants	11-000-221-105	75,087	2,700	77,787	77,740	47
Other Salaries	11-000-221-110	146,944	-	146,944	62,719	84,225
Purchased Educational Services	11-000-221-320	5,300	-	5,300	4,250	1,050
Other Purchased Professional & Technical Services	11-000-221-390	40,552	2,000	42,552	42,515	37
Other Purchased Services	11-000-221-500	29,997	(1,750)	28,247	14,122	14,125
Supplies and Materials	11-000-221-600	10,150	-	10,150	8,005	2,145
Other Objects	11-000-221-800	18,035	-	18,035	7,547	10,488
Total Improvement of Instruction Services/Other Support Services Instructional Staff		822,113	2,950	825,063	684,038	141,025

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Educational Media Services/School Library:						
Salaries	11-000-222-100	143,121	10,100	153,221	149,898	3,323
Salaries of Technology Coordinator	11-000-222-177	283,843	-	283,843	259,413	24,430
Purchased Technical Services	11-000-222-300	11,500	-	11,500	11,041	459
Other Purchased Services	11-000-222-500	16,250	-	16,250	5,763	10,487
Supplies and Materials	11-000-222-600	34,018	35	34,053	25,644	8,409
Other Objects	11-000-222-800	375	-	375	-	375
Total Educational Media Services/School Library		489,107	10,135	499,242	451,759	47,483
Instructional Staff Training Services:						
Other Purchased Services	11-000-223-500	8,500	-	8,500	1,676	6,824
Total Instructional Staff Training Services		8,500	-	8,500	1,676	6,824
Support Services General Administration:						
Salaries	11-000-230-100	211,268	800	212,068	212,043	25
Legal Services	11-000-230-331	10,500	26,250	36,750	30,222	6,528
Audit fees	11-000-230-332	36,000	-	36,000	35,700	300
Architectural/Engineering Services	11-000-230-334	3,500	-	3,500	3,027	473
Other Purchased Professional Services	11-000-230-339	250	-	250	-	250
Communications/Telephone	11-000-230-530	32,000	5,900	37,900	37,855	45
BOE Other Purchased Services	11-000-230-585	750	-	750	99	651
Other Purchased Services	11-000-230-590	53,825	4,100	57,925	57,446	479
Supplies and Materials	11-000-230-610	3,250	200	3,450	3,420	30
Miscellaneous Expenditures	11-000-230-890	3,000	-	3,000	2,959	41
BOE Membership Dues	11-000-230-895	9,750	(1,000)	8,750	8,549	201
Total Support Services General Administration		364,093	36,250	400,343	391,320	9,023
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	377,634	-	377,634	376,901	733
Salaries of Secretarial & Clerical Assistants	11-000-240-105	91,662	-	91,662	89,662	2,000
Purchased Professional Technical Services	11-000-240-300	4,500	10,750	15,250	850	14,400
Other Purchased Services	11-000-240-500	9,300	-	9,300	4,006	5,294
General Supplies	11-000-240-600	17,314	-	17,314	14,900	2,414
Other Objects	11-000-240-800	7,890	-	7,890	5,429	2,461
Total Support Services School Administration		508,300	10,750	519,050	491,748	27,302
Central Services:						
Salaries	11-000-251-100	375,796	-	375,796	374,986	810
Purchased Professional Services	11-000-251-330	6,850	-	6,850	6,265	585
Purchased Technical Services	11-000-251-340	14,000	(1,000)	13,000	12,518	482
Other Purchased Services	11-000-251-592	7,500	5,000	12,500	7,707	4,793
General Supplies	11-000-251-600	6,000	8,000	14,000	12,832	1,168
Miscellaneous Expenditures	11-000-251-890	3,000	29,000	32,000	6,772	25,228
Total Central Services		413,146	41,000	454,146	421,080	33,066
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	112,789	-	112,789	99,004	13,785
Cleaning, Repair & Maintenance	11-000-261-420	415,600	6,382	421,982	289,128	132,854
General Supplies	11-000-261-610	144,175	4,393	148,568	98,992	49,576
Total Required Maintenance for School Facilities		672,564	10,775	683,339	487,124	196,215
Custodial Services:						
Salaries	11-000-262-100	779,434	-	779,434	664,153	115,281
Salaries of Noninstructional Aides	11-000-262-107	78,120	-	78,120	27,037	51,083
Purchased Professional Technical Services	11-000-262-300	13,012	-	13,012	7,325	5,687
Cleaning, Repair & Maintenance Services	11-000-262-420	106,980	20,000	126,980	120,091	6,889
Other Purchased Property Services	11-000-262-490	84,973	-	84,973	71,572	13,401
Insurance	11-000-262-520	182,000	-	182,000	173,747	8,253
Miscellaneous Purchased Services	11-000-262-590	2,575	-	2,575	437	2,138
General Supplies	11-000-262-610	149,850	(18,885)	130,965	127,366	3,599
Energy (Natural Gas)	11-000-262-621	135,000	-	135,000	129,851	5,149
Energy (Heat & Electricity)	11-000-262-622	245,000	-	245,000	232,647	12,353

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Custodial Services (continued):						
Other Objects	11-000-262-800	6,600	-	6,600	5,300	1,300
Total Custodial Services		1,783,544	1,115	1,784,659	1,559,526	225,133
Security:						
Purchased Technical Services	11-000-266-300	110,000	12,500	122,500	105,789	16,711
General Supplies	11-000-266-610	9,000	12,000	21,000	20,955	45
Total Security		119,000	24,500	143,500	126,744	16,756
Total Other Operating & Maintenance of Plant Services		2,575,108	36,390	2,611,498	2,173,394	438,104
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	332,221	97,500	429,721	418,308	11,413
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	594,467	-	594,467	476,251	118,216
Salaries for Pupil Transportation (Between Home & School) - NonPublic	11-000-270-163	171,967	(97,500)	74,467	48,427	26,040
Cleaning, Repair & Maintenance Services	11-000-270-420	56,000	(13,000)	43,000	20,806	22,194
Contracted Services Aid in Lieu Nonpublic	11-000-270-503	45,000	(5,000)	40,000	34,844	5,156
Contracted Svc Other - Regular Vendors	11-000-270-511	500	150	650	632	18
Contract Svc (Sp Ed) -Joint	11-000-270-515	180,000	69,000	249,000	224,840	24,160
Miscellaneous Purchased Services	11-000-270-593	1,750	(150)	1,600	1,100	500
General Supplies	11-000-270-610	213,500	(10,764)	202,736	168,976	33,760
Other Objects	11-000-270-800	15,000	-	15,000	9,868	5,132
Total Student Transportation Services		1,610,405	40,236	1,650,641	1,404,052	246,589
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	382,000	-	382,000	318,590	63,410
Other Retirement Contributions - PERS	11-000-291-241	412,000	6,850	418,850	418,826	24
Other Retirement Contributions - Regular	11-000-291-249	17,500	-	17,500	11,940	5,560
Unemployment Compensation	11-000-291-250	2,500	13,000	15,500	15,089	411
Workmen's Compensation	11-000-291-260	164,000	(6,850)	157,150	156,967	183
Health Benefits	11-000-291-270	3,245,669	(13,000)	3,232,669	3,138,695	93,974
Tuition Reimbursement	11-000-291-280	52,000	-	52,000	13,797	38,203
Other Employee Benefits	11-000-291-290	156,890	-	156,890	137,640	19,250
Unused Sick Payments to Terminated/Retired Staff	11-000-291-299	32,710	13,000	45,710	44,897	813
Total Unallocated Benefits		4,465,269	13,000	4,478,269	4,256,441	221,828
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	887,144	(887,144)
On-Behalf TPAF Pension Contributions		-	-	-	3,377,053	(3,377,053)
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,032	(1,032)
Reimbursed TPAF Social Security Contributions		-	-	-	695,944	(695,944)
Total Nonbudgeted		-	-	-	4,961,173	(4,961,173)
Total Undistributed Expenditures		15,387,388	(39,439)	15,347,949	18,539,311	(3,191,362)
Total Expenditures - Current Expense		24,744,124	15,553	24,759,677	27,125,588	(2,365,911)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604	65	-	65	-	65
Interest Deposit to Maintenance Reserve	10-606	35	-	35	-	35
Equipment:						
School Sponsored and Other Instructional Programs	12-4xx-100-730	4,730	-	4,730	4,220	510
Undistributed Expenditures:						
Instruction	12-000-100-731	51,022	20,993	72,015	52,331	19,684
Custodial Services	12-000-262-730	4,500	5,423	9,923	5,423	4,500
Care and Upkeep of Grounds	12-000-263-730	3,500	-	3,500	-	3,500
Student Transportation - Noninstructional						
Equipment	12-000-270-732	25,000	-	25,000	7,906	17,094
School Buses- Regular	12-000-270-733	116,445	-	116,445	116,442	3

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Equipment (continued):						
Undistributed Expenditures (continued):						
Special Schools (All Programs)	12-xxx-x00-730	41,574	-	41,574	32,922	8,652
Total Equipment		246,771	26,416	273,187	219,244	53,943
Facilities Acquisition & Construction Services:						
Assesment for Debt service on SDA Funding	12-000-400-896	84,175	-	84,175	84,175	-
Total Facilities Acquisition & Construction Services		84,175	-	84,175	84,175	-
Right to Use Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	23,824	(23,824)
Total Right to Use Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	23,824	(23,824)
Total Capital Outlay		331,046	26,416	357,462	327,243	30,219
Transfer of Funds to Charter Schools		26,412	14,600	41,012	40,921	91
Total Transfer of Funds to Charter Schools		26,412	14,600	41,012	40,921	91
Total Expenditures		25,101,582	56,569	25,158,151	27,493,752	(2,335,601)
Excess/(Deficiency) of Revenues Over/(Under)						
Expenditures Before Other Financing Sources/(Uses)		(2,737,730)	(56,569)	(2,794,299)	585,463	3,379,762
Other Financing Sources/(Uses):						
Lease Proceeds (Nonbudgeted)		-	-	-	23,824	23,824
Total Other Financing Sources/(Uses)		-	-	-	23,824	23,824
Excess/(Deficiency) of Revenues Over/(Under) After						
Expenditures & Other Financing Sources/(Uses)		(2,737,730)	(56,569)	(2,794,299)	609,287	3,403,586
Fund Balances, July 1		7,270,171	-	7,270,171	7,270,171	-
Fund Balances, June 30		\$ 4,532,441	\$ (56,569)	\$ 4,475,872	\$ 7,879,458	\$ 3,403,586

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$ 56,569</u>
-------------------------------------	------------------

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Excess Surplus	\$ 2,723,280
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	2,848,275
Capital Reserve	1,070,462
Maintenance Reserve	392,113
Unemployment Compensation Reserve	93,759
Assigned Fund Balance:	
Reserve for Encumbrances	120,686
Unassigned Fund Balance	<u>630,883</u>
Subtotal	7,879,458
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(913,594)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 6,965,864</u>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	JUNE 30, 2023				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 91,998	\$ 67,284	\$ 159,282	\$ 154,200	\$ (5,082)
Federal Sources	409,120	978,112	1,387,232	1,007,058	(380,174)
Local Sources	275,325	131,175	406,500	441,730	35,230
Total Revenues	776,443	1,176,571	1,953,014	1,602,988	(350,026)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	173,369	33,310	206,679	89,172	117,507
Purchased Professional - Educational Services	22,273	52,306	74,579	69,562	5,017
Other Purchased Services	14,275	37,749	52,024	51,023	1,001
Tuition	199,203	40,529	239,732	239,732	-
General Supplies	37,420	225,769	263,189	162,866	100,323
Textbooks	5,522	1,342	6,864	6,864	-
Other Objects	-	3,495	3,495	-	3,495
Total Instruction	452,062	394,500	846,562	619,219	227,343
Support Services:					
Other Salaries	-	76,396	76,396	35,113	41,283
Personal Services - Employee Benefits	-	52,006	52,006	46,299	5,707
Purchased Professional - Technical Services	38,752	103,646	142,398	101,994	40,404
Other Purchased Services	-	30,285	30,285	13,054	17,231
Supplies & Materials	10,304	69,327	79,631	50,711	28,920
Scholarships Awarded	325	175	500	461	39
Student Activities	275,000	130,000	405,000	401,597	3,403
Total Support Services	324,381	461,835	786,216	649,229	136,987
Facilities Acquisitions & Construction Services:					
Non-Instructional Equipment	-	320,236	320,236	294,868	25,368
Total Facilities Acquisitions & Construction Services	-	320,236	320,236	294,868	25,368
Total Expenditures	776,443	1,176,571	1,953,014	1,563,316	389,698
Excess/(Deficiency) of Revenues Over/(Under)					
Expenditures & Other Financing Sources/(Uses)	-	-	-	39,672	39,672
Fund Balance, July 1	384,878	-	384,878	384,878	-
Fund Balance, June 30	\$ 384,878	\$ -	\$ 384,878	\$ 424,550	\$ 39,672

Recapitulation:

Restricted:

Student Activities	\$ 414,364
Scholarships	10,186
	<u>\$ 424,550</u>

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 28,079,215	\$ 1,602,988
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	274,193
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(913,594)	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	871,541	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 28,037,162</u>	<u>\$ 1,877,181</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	<u>\$ 27,493,752</u>	<u>\$ 1,563,316</u>
Differences- Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposed, but in the year the supplies are received for financial reporting purposes.	-	274,193
	<hr/>	<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 27,493,752</u>	<u>\$ 1,837,509</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
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>
District's proportion of the net pension liability (asset)	0.033409%	0.033633%	0.033822%	0.03286%	0.03209%	0.03184%	0.03421%	0.03368%	0.03032%	0.03094%
District's proportionate share of the net pension liability (asset)	\$ 4,994,206	\$ 3,984,247	\$ 5,515,027	\$ 5,921,411	\$ 6,317,790	\$ 7,410,999	\$ 10,131,996	\$ 7,559,893	\$ 5,676,558	\$ 5,912,879
District's covered-employee payroll	2,573,473	2,340,276	2,372,611	2,324,820	2,234,842	2,120,627	2,177,425	2,010,231	Unavailable	Unavailable
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	194.06%	170.25%	232.45%	254.70%	282.70%	349.47%	465.32%	376.07%	Unavailable	Unavailable
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 (the measurement date).

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
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	\$ 417,320	\$ 393,873	\$ 369,965	\$ 319,660	\$ 319,163	\$ 294,930	\$ 303,916	\$ 289,535	\$ 249,946	\$ 233,112
Contributions in relation to the contractually required contribution	417,320	393,873	369,965	319,660	319,163	294,930	303,916	289,535	249,946	233,112
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,687,559	\$ 2,573,473	\$ 2,340,276	\$ 2,372,611	\$ 2,324,820	\$ 2,234,842	\$ 2,120,627	\$ 2,177,425	\$ 2,010,231	Unavailable
Contributions as a percentage of covered-employee payroll	15.53%	15.31%	15.81%	13.47%	13.73%	13.20%	14.33%	13.30%	12.43%	Unavailable

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
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 pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 42,037,216	\$ 39,852,115	\$ 53,473,098	\$ 50,695,788	\$ 50,051,938	\$ 53,764,694	\$ 62,127,851	\$ 48,376,051	\$ 41,764,060	\$ 39,559,613
District's covered-employee payroll	9,819,735	9,047,703	9,123,069	8,905,611	8,585,920	8,424,438	8,147,501	7,835,258	Unavailable	Unavailable
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date)

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

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

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SIX FISCAL YEARS***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's Total OPEB Liability						
Service Cost	\$ 2,404,772	\$ 2,795,286	\$ 1,547,506	\$ 1,550,664	\$ 1,706,246	\$ 2,060,627
Interest Cost	1,268,063	1,470,436	1,382,315	1,760,174	1,946,952	1,685,700
Difference between Expected and Actual Differences	1,544,693	(9,866,941)	11,490,012	(8,760,071)	(6,145,597)	-
Changes of Benefit Terms	-	(60,333)	-	-	-	-
Changes of Assumptions	(12,836,044)	55,923	11,582,838	573,708	(5,106,541)	(6,987,733)
Contributions: Member	40,295	37,592	33,460	35,013	41,125	45,414
Gross Benefit Payments	(1,256,054)	(1,158,291)	(1,103,917)	(1,181,155)	(1,189,901)	(1,233,319)
Net Change in District's Total OPEB Liability	(8,834,275)	(6,726,328)	24,932,214	(6,021,667)	(8,747,716)	(4,429,311)
District's Total OPEB Liability (Beginning)	56,683,725	63,410,053	38,477,839	44,499,506	53,247,222	57,676,533
District's Total OPEB Liability (Ending)	\$ 47,849,450	\$ 56,683,725	\$ 63,410,053	\$ 38,477,839	\$ 44,499,506	\$ 53,247,222
District's Covered Employee Payroll	\$ 12,393,208	\$ 11,387,979	\$ 11,495,680	\$ 11,230,431	\$ 10,820,762	\$ 10,545,065
District's Net OPEB Liability as a Percentage of Payroll	386.09%	497.75%	551.60%	342.62%	411.24%	504.95%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

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

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2023

	E.S.E.A.		IDEA		ARP		C.R.R.S.A.		AMERICAN RESCUE PLAN				SUBTOTAL	
	TITLE I PART A	TITLE II PART A	TITLE IV PART A	PART B BASIC	IDEA BASIC	ESSER II	LEARNING ACCEL.	MENTAL HEALTH	ESSER III	ACCEL. LEARNING	SUMMER LEARNING	BEYOND SCHOOL		MENTAL HEALTH
Revenues:														
Federal Sources	\$ 11,866	\$ 19,090	\$ 10,520	\$ 280,211	\$ 18,500	\$ 236,031	\$ 1,767	\$ 22,931	\$ 201,062	\$ 28,074	\$ 6,163	\$ 627	\$ 6,169	\$ 1,007,058
Total Revenues	\$ 11,866	\$ 19,090	\$ 10,520	\$ 280,211	\$ 18,500	\$ 236,031	\$ 1,767	\$ 22,931	\$ 201,062	\$ 28,074	\$ 6,163	\$ 627	\$ 6,169	\$ 1,007,058
Expenditures:														
Instruction:														
Salaries of Teachers	\$ 67,448	\$ -	\$ -	\$ -	\$ -	\$ 4,267	\$ -	\$ -	\$ 17,457	\$ -	\$ -	\$ -	\$ -	\$ 89,172
Purchased Professional Educational Services	-	350	13,500	4,645	-	-	12,788	-	375	19,274	-	-	-	50,932
Other Purchased Services	-	-	-	239,732	4,169	-	-	-	-	-	-	-	-	4,169
Tuition	-	-	-	239,732	-	-	-	-	-	-	-	-	-	239,732
General Supplies	7,891	-	3,954	2,429	1,095	105,434	268	-	4,655	-	384	-	-	162,866
Total Instruction	75,339	13,500	8,599	242,161	5,264	109,701	643	19,274	22,112	-	384	-	-	546,871
Support Services:														
Other Salaries	3,000	-	-	-	-	2,590	-	-	15,081	9,506	4,936	-	-	35,113
Employee Benefits	32,952	-	-	-	-	2,449	1,124	409	8,028	813	377	147	-	46,299
Purchased Professional Technical Services	135	-	-	38,050	13,236	-	-	1,500	-	7,900	-	480	6,169	67,470
Other Purchased Services	-	3,544	-	-	-	1,256	-	1,748	-	4,455	-	-	-	11,003
Supplies and Materials	-	11,343	2,046	1,921	-	1,994	-	-	6,617	5,400	466	-	-	50,711
Total Support Services	36,087	11,343	5,590	1,921	38,050	13,236	3,250	3,657	29,726	28,074	5,779	627	6,169	210,596
Facilities acquisition and construction														
Non-instructional Equipment	-	-	-	-	-	100,367	-	-	149,224	-	-	-	-	249,591
Total Facilities acquisition and construction	-	-	-	-	-	100,367	-	-	149,224	-	-	-	-	249,591
Total Expenditures	111,426	19,090	10,520	280,211	18,500	236,031	1,767	22,931	201,062	28,074	6,163	627	6,169	1,007,058
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	NJ NONPUBLIC HANDICAPPED										SDA EMERGENT AND CAPITAL NEEDS GRANT	SCHOLARSHIP	STUDENT ACTIVITIES	TOTAL	
	EXAM. CLASS.	CHAPTER 193 SERVICES CORRECTIVE SPEECH	SUPPL. INSTR.	CHAPTER 192 SERVICES COMP. EDUCATION	TRANSPORT.	NONPUBLIC HOME INSTR.	NONPUBLIC NURSING	NONPUBLIC TEXTBOOK	NONPUBLIC TECHNOLOGY	NONPUBLIC TECHNOLOGY					
Revenues:															
State Sources	\$ 19,342	\$ 3,534	\$ 17,924	\$ 2,051	\$ 42,497	\$ 706	\$ 11,648	\$ 6,864	\$ 4,357	\$ 4,357	\$ 45,277	\$ -	\$ -	\$ 154,200	
Federal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	1,007,058	
Local Sources	-	-	-	-	-	-	-	-	-	-	-	-	441,730	441,730	
Total Revenues	\$ 19,342	\$ 3,534	\$ 17,924	\$ 2,051	\$ 42,497	\$ 706	\$ 11,648	\$ 6,864	\$ 4,357	\$ 4,357	\$ 45,277	\$ -	\$ 441,730	\$ 1,602,988	
Expenditures:															
Instruction:															
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,172
Purchased Professional Educational Services	-	-	17,924	-	-	706	-	-	-	-	-	-	-	-	69,562
Other Purchased Services	-	-	-	-	42,497	-	-	-	4,357	-	-	-	-	-	51,023
Tuition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	239,732
General Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,866
Textbooks	-	-	-	-	-	-	-	6,864	-	-	-	-	-	-	6,864
Total Instruction	-	-	17,924	-	42,497	706	-	6,864	4,357	-	-	-	-	-	619,219
Support Services:															
Other Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,113
Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,299
Purchased Professional Technical Services	19,342	3,534	-	-	-	-	11,648	-	-	-	-	-	-	-	101,994
Other Purchased Services	-	-	-	2,051	-	-	-	-	-	-	-	-	-	-	13,054
Supplies and Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,711
Scholarships Awarded	-	-	-	-	-	-	-	-	-	-	-	461	-	-	461
Student Activities	-	-	-	-	-	-	-	-	-	-	-	401,597	-	-	401,597
Total Support Services	19,342	3,534	-	2,051	-	-	11,648	-	-	-	-	461	-	-	649,229
Facilities acquisition and construction Non-instructional Equipment	-	-	-	-	-	-	-	-	-	-	45,277	-	-	-	294,868
Total Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	45,277	-	-	-	294,868
Total Expenditures	19,342	3,534	17,924	2,051	42,497	706	11,648	6,864	4,357	4,357	45,277	461	401,597	1,563,316	
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	40,133	-	39,672
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	374,231	-	384,878
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-	10,186	414,364	-	424,550

F. Capital Projects Fund

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

PROJECT TITLE/ISSUE	APPROPRIATIONS	EXPENDITURES TO DATE		CANCELLATION OF ROD GRANT RECEIVABLE	UNEXPENDED BALANCE JUNE 30, 2023
		PRIOR YEARS	CURRENT YEAR		
Replace Existing Roof System and Refurbish the 300 Wing Elevator	\$ 423,036	\$ 321,106	\$ -	\$ (101,930)	\$ -
	\$ 423,036	\$ 321,106	\$ -	\$ (101,930)	\$ -

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Expenditures & Other Financing Uses:	
Cancellation of ROD Grant Receivable	\$ 101,930
	<hr/>
Total Expenditures	101,930
	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(101,930)
Fund Balance - Beginning	101,930
	<hr/>
Fund Balance - Ending	\$ -
	<hr/> <hr/>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
REPLACING EXISTING ROOF SYSTEM AND REFURBISHING THE 300 WING ELEVATOR
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State sources - ROD Grant	\$ 423,036	\$ (101,930)	\$ 321,106	\$ 321,106
Total Revenues	423,036	(101,930)	321,106	321,106
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	8,551	-	8,551	8,551
Construction Services	312,555	-	312,555	312,555
Total Expenditures	321,106	-	321,106	321,106
Over/(Under) Expenditures	\$ 101,930	\$ (101,930)	-	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP-#1715-050-14-1001
Grant Date	11/30/15
Bond Authorization Date	Not Applicable
Bonds Authorized	Not Applicable
Bonds Issued	Not Applicable
Original Authorized Cost	\$423,036
Revised Authorized Cost	\$423,036
Percentage Increase Over Original Authorized Cost	Not Applicable
Percentage Completion	100%
Original Target Completion Date	9/30/2020
Revised Target Completion Date	N/A

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G. Proprietary Funds

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Enterprise Funds

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUND
SCHEDULE OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities		Food Service Fund		2023
ASSETS					
Current Assets:					
Cash & Cash Equivalents	\$	401,230	\$	401,230	
Accounts Receivable:					
Federal		24,919		24,919	
State		887		887	
Other		45,080		45,080	
Inventories		3,217		3,217	
Total Current Assets		475,333		475,333	
Capital Assets:					
Equipment		138,390		138,390	
Accumulated Depreciation		(135,214)		(135,214)	
Total Capital Assets		3,176		3,176	
Total Assets		478,509		478,509	
LIABILITIES					
Unearned Revenue		12,461		12,461	
Accounts Payable		35,867		35,867	
Total Liabilities		48,328		48,328	
NET POSITION					
Net Investment in Capital Assets		3,176		3,176	
Unrestricted		427,005		427,005	
Total Net Position	\$	430,181	\$	430,181	

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities	
	Food Service Fund	2023
Operating Revenues:		
Local Sources:		
Daily Sales - Reimbursable Programs	\$ 207,254	\$ 207,254
Daily Sales - Nonreimbursable Programs	41,344	41,344
Special Functions	8,210	8,210
	<hr/>	<hr/>
Total Operating Revenue	256,808	256,808
	<hr/>	<hr/>
Operating Expenses:		
Salaries - FSMC	333,924	333,924
Employee Benefits - FSMC	79,008	79,008
Supplies & Materials	96,251	96,251
Other Purchased Services	37,514	37,514
Cost of Sales - Reimbursable	228,598	228,598
Cost of Sales - Non Reimbursable	18,927	18,927
Miscellaneous expenditures	1,864	1,864
Depreciation Expense	343	343
	<hr/>	<hr/>
Total Operating Expenses	796,429	796,429
	<hr/>	<hr/>
Operating Income/(Loss)	(539,621)	(539,621)
	<hr/>	<hr/>
Nonoperating Revenues:		
State Sources:		
State School Lunch Program	8,413	8,413
State School Reduced Lunch & Breakfast Program	9,812	9,812
Federal Sources:		
National School Breakfast Program	118,176	118,176
National School Lunch Program	360,148	360,148
Healthy Hunger-Free Kids Act	10,220	10,220
Supply Chain Assistance Award	21,011	21,011
Food Distribution Program	70,512	70,512
Interest Income	1,893	1,893
	<hr/>	<hr/>
Total Nonoperating Revenues	600,185	600,185
	<hr/>	<hr/>
Net Income/(Loss)	60,564	60,564
Net Position - July 1	369,617	369,617
	<hr/>	<hr/>
Net Position/(Deficit) - June 30	\$ 430,181	\$ 430,181
	<hr/> <hr/>	<hr/> <hr/>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUNDS
 SCHEDULE OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities	
	Food Service Fund	2023
Cash Flows From Operating Activities:		
Receipts from Customers	\$ 219,147	\$ 219,147
Payments to Suppliers & FSMC	(737,654)	(737,654)
Net Cash Provided/(Used) by Operating Activities	<u>(518,507)</u>	<u>(518,507)</u>
Cash Flows From Noncapital Financing Activities:		
State Sources	18,187	18,187
Federal Sources	541,300	541,300
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>559,487</u>	<u>559,487</u>
Cash Flows From Investing Activities:		
Interest Earned	1,893	1,893
Net Cash Provided/(Used) by Investing Activities	<u>1,893</u>	<u>1,893</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	42,873	42,873
Balances - Beginning of Year	358,357	358,357
Balances - End of Year	<u>\$ 401,230</u>	<u>\$ 401,230</u>
 Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Operating Income/(Loss)	(539,621)	(539,621)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Food Distribution Program	70,512	70,512
Depreciation & Net Amortization	343	343
(Increase)/Decrease in Accounts Receivable	(38,727)	(38,727)
(Increase)/Decrease in Inventories	(1,370)	(1,370)
Increase/(Decrease) in Unearned Income	1,066	1,066
Increase/(Decrease) in Accounts Payable	(10,710)	(10,710)
Total Adjustments	<u>21,114</u>	<u>21,114</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (518,507)</u>	<u>\$ (518,507)</u>

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Internal Service Fund

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2023**

	Business Services	Chief School Administrator	Total
ASSETS			
Cash & Cash Equivalents	\$ -	\$ 95,557	\$ 95,557
Accounts Receivable	20,199	-	20,199
	<hr/>		
Total Assets	20,199	95,557	115,756
	<hr/>		
LIABILITIES			
Cash Deficit	20,199	-	20,199
	<hr/>		
Total Current Liabilities	20,199	-	20,199
	<hr/>		
NET POSITION			
Unrestricted	-	95,557	95,557
	<hr/>		
Total Net Position	\$ -	\$ 95,557	\$ 95,557
	<hr/> <hr/>		

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	Child Study Team	Business Services	Chief School Administrator	Total
Operating Revenues:				
Local Sources:				
Services provided to other School Districts	\$ 882,972	\$ 345,338	\$ 67,000	\$ 1,295,310
Total Operating Revenue	<u>882,972</u>	<u>345,338</u>	<u>67,000</u>	<u>1,295,310</u>
Operating Expenses:				
Salaries	830,831	278,146	60,646	1,169,623
Employee Benefits	132,142	56,383	6,804	195,329
Purchased Professional/ Educational Services	8,828	-	-	8,828
Other Purchased Services	8,460	5,159	733	14,352
Supplies & Materials	7,843	5,378	-	13,221
Miscellaneous	1,420	272	-	1,692
Total Operating Expenses	<u>989,524</u>	<u>345,338</u>	<u>68,183</u>	<u>1,403,045</u>
Operating Income/(Loss)	<u>(106,552)</u>	<u>-</u>	<u>(1,183)</u>	<u>(107,735)</u>
Change in Net Position	(106,552)	-	(1,183)	(107,735)
Net Position - Beginning	<u>106,552</u>	<u>-</u>	<u>96,740</u>	<u>203,292</u>
Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,557</u>	<u>\$ 95,557</u>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	Child Study Team	Business Services	Chief School Administrator	Total
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 923,932	\$ 327,058	\$ 67,000	\$ 1,317,990
Payments to Employees	(830,831)	(278,146)	(60,646)	(1,169,623)
Payments for Employee Benefits	(132,142)	(56,383)	(6,804)	(195,329)
Payments to Suppliers	(31,105)	(11,334)	(840)	(43,279)
	<hr/>			
Net Cash Provided/(Used) by Operating Activities	(70,146)	(18,805)	(1,290)	(90,241)
	<hr/>			
Net Increase/(Decrease) in Cash & Cash Equivalents	(70,146)	(18,805)	(1,290)	(90,241)
Balances - Beginning of Year	70,146	(1,394)	96,847	165,599
	<hr/>			
Balances - Ending of Year	\$ -	\$ (20,199)	\$ 95,557	\$ 75,358
	<hr/> <hr/>			

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

Operating Income/(Loss)	\$ (106,552)	\$ -	\$ (1,183)	\$ (107,735)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
(Increase)/Decrease in Accounts Receivable	40,960	(20,199)	-	20,761
(Increase)/Decrease in Interfund Receivable	-	1,919	-	1,919
Increase/(Decrease) in Accounts Payable	(4,554)	(525)	(107)	(5,186)
	<hr/>			
Net Cash Provided/(Used) by Operating Activities	\$ (70,146)	\$ (18,805)	\$ (1,290)	\$ (90,241)
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I. Long-Term Debt

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2023**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JULY 1, 2022	RETIRED	BALANCE JUNE 30, 2023
Refunding School Bonds, Series 2012	5/13/12	\$ 6,275,000	3/1/2024	\$ 440,000	4.0000%	\$ 3,040,000	\$ 440,000	\$ 2,600,000
			3/1/2025	440,000	3.7500%			
			3/1/26-27	435,000	3.7500%			
			3/1/2028	430,000	3.1250%			
			3/1/2029	420,000	3.1250%			
Total						\$ 3,040,000	\$ 440,000	\$ 2,600,000

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 550,888	\$ -	\$ 550,888	\$ 550,888	\$ -
Total Revenues	550,888	-	550,888	550,888	-
Expenditures:					
Regular Debt Service:					
Interest	110,888	-	110,888	110,887	1
Redemption of Principal	440,000	-	440,000	440,000	-
Total Expenditures	550,888	-	550,888	550,887	1
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	1	1
Fund Balances July 1	-	-	-	-	-
Fund Balances June 30	\$ -	\$ -	\$ -	\$ 1	\$ 1

STATISTICAL SECTION (Unaudited)

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GATEWAY REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 11,274,034	\$ 10,941,781	\$ 10,493,089	\$ 10,291,051	\$ 9,808,913	\$ 9,988,984	\$ 9,875,658	\$ 9,667,272	\$ 9,678,422	\$ 9,928,469
Restricted	7,231,334	6,698,030	6,383,611	5,072,089	5,108,837	4,534,283	4,192,244	3,760,309	3,145,944	3,105,499
Unrestricted	(6,169,923)	(6,559,452)	(7,495,487)	(9,070,985)	(8,732,927)	(10,944,766)	(7,882,764)	(6,755,886)	(6,483,150)	(871,557)
Total Governmental Activities Net Position	\$ 12,335,445	\$ 11,080,359	\$ 9,381,213	\$ 6,292,155	\$ 6,184,823	\$ 3,578,501	\$ 6,185,138	\$ 6,671,695	\$ 6,341,216	\$ 12,162,411
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 3,176	\$ 3,519	\$ 3,863	\$ 431	\$ 1,292	\$ 2,153	\$ 3,015	\$ 12,566	\$ 15,400	\$ 22,733
Unrestricted	427,005	366,098	112,584	238,617	318,471	308,921	304,165	207,363	173,090	177,820
Total Business-Type Activities Net Position	\$ 430,181	\$ 369,617	\$ 116,447	\$ 239,048	\$ 319,763	\$ 311,074	\$ 307,180	\$ 219,929	\$ 188,490	\$ 200,553
District-Wide:										
Net Investment in										
Capital Assets	\$ 11,277,210	\$ 10,945,300	\$ 10,496,952	\$ 10,291,482	\$ 9,810,205	\$ 9,991,137	\$ 9,878,673	\$ 9,679,838	\$ 9,693,822	\$ 9,951,202
Restricted	7,231,334	6,698,030	6,383,611	5,072,089	5,108,837	4,534,283	4,192,244	3,760,309	3,145,944	3,105,499
Unrestricted	(5,742,918)	(6,193,354)	(7,382,903)	(8,832,368)	(8,414,456)	(10,635,845)	(7,578,599)	(6,548,523)	(6,310,060)	(693,737)
Total District Net Position	\$ 12,765,626	\$ 11,449,976	\$ 9,497,660	\$ 6,531,203	\$ 6,504,586	\$ 3,889,575	\$ 6,492,318	\$ 6,891,624	\$ 6,529,706	\$ 12,362,964

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30.										
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 6,072,985	\$ 5,824,974	\$ 4,878,538	\$ 5,709,393	\$ 5,615,312	\$ 5,756,271	\$ 5,635,366	\$ 5,520,080	\$ 5,537,714	\$ 5,269,382
Special Education	2,587,733	2,598,589	2,160,660	2,305,747	2,282,890	1,963,949	1,822,641	1,750,519	1,807,084	1,567,448
Other Special Instruction	235,374	228,294	227,231	220,760	218,793	223,119	220,669	234,488	221,276	212,750
Other Instruction	747,341	722,870	630,658	680,388	652,419	629,308	675,442	647,136	656,434	644,010
Support Services & Undistributed Costs:										
Student & Instruction Related Services	6,121,822	5,702,469	5,150,553	4,153,963	3,815,832	3,754,584	3,694,832	3,897,265	3,944,510	3,769,640
General Administration & Central Services	1,247,514	1,120,933	924,246	859,192	785,207	755,093	728,963	737,587	687,307	712,571
School Administrative Services	559,931	550,866	532,137	457,696	407,759	452,445	423,278	405,275	395,346	405,517
Plant Operations & Maintenance	2,245,215	2,096,581	1,713,229	1,757,119	1,761,319	1,597,215	1,515,158	1,454,688	1,507,795	1,603,274
Pupil Transportation	1,547,693	1,315,273	871,827	1,441,970	1,526,917	1,502,102	1,496,763	1,468,449	1,466,549	1,477,332
Employee Benefits	6,318,619	7,318,351	13,237,022	6,845,902	8,330,096	9,035,771	6,632,504	5,337,211	4,617,551	4,264,262
Interest on long-term debt	189,195	195,266	284,622	17,987	178,887	190,588	201,688	207,838	109,576	126,155
Capital Outlay	-	-	2,391	162,888	106,941	85,798	28,067	334,701	222,837	235,038
Transfer to Charter Schools	40,921	23,664	21,912	18,556	-	-	-	-	-	-
Amortization of Bond Issuance Costs	-	-	844,236	-	-	-	-	-	-	-
Total Governmental Activities	27,914,343	27,698,130	31,479,282	24,631,561	25,682,372	25,946,243	23,075,371	21,995,237	21,173,979	20,287,379
Expenses										
Business-Type Activities:										
Food Service	796,429	984,691	508,129	643,377	835,429	856,234	861,369	793,660	822,659	752,797
Other	-	-	-	1,080,862	1,098,724	1,010,236	1,001,644	957,406	987,467	973,074
Total Business-Type Activities	796,429	984,691	508,129	1,724,239	1,934,153	1,866,470	1,863,013	1,751,066	1,810,126	1,725,871
Expense										
Total District Expenses	\$ 28,710,772	\$ 28,682,821	\$ 31,987,411	\$ 26,355,800	\$ 27,616,525	\$ 27,812,713	\$ 24,938,384	\$ 23,746,303	\$ 22,984,105	\$ 22,013,250
Program Revenues:										
Governmental Activities:										
Charges for Services:	\$ 1,295,310	\$ 1,177,455	\$ 1,183,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Grants & Contributions	4,670,278	5,743,495	7,390,555	601,645	624,436	465,791	481,086	512,440	610,881	468,416
Total Governmental Activities	\$ 5,965,588	\$ 6,920,950	\$ 8,573,633	\$ 601,645	\$ 624,436	\$ 465,791	\$ 481,086	\$ 512,440	\$ 610,881	\$ 468,416
Program Revenues										

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 256,808	\$ 35,090	\$ 7,985	\$ 236,034	\$ 379,930	\$ 395,921	\$ 389,964	\$ 375,002	\$ 368,619	\$ 399,861
Other	-	-	-	989,051	1,143,603	1,045,711	1,090,583	968,767	990,001	971,257
Operating Grants & Contributions	598,292	1,202,444	554,884	418,016	418,592	428,096	469,016	438,062	438,762	376,592
Total Business Type Activities	855,100	1,237,534	562,869	1,643,101	1,942,125	1,869,728	1,949,563	1,781,831	1,797,382	1,747,710
Program Revenues	\$ 6,820,688	\$ 8,158,484	\$ 9,136,502	\$ 2,244,746	\$ 2,566,561	\$ 2,335,519	\$ 2,430,649	\$ 2,294,271	\$ 2,408,263	\$ 2,216,126
Total District Program Revenues	\$ (21,948,755)	\$ (20,777,180)	\$ (22,905,649)	\$ (24,029,916)	\$ (25,057,936)	\$ (25,480,452)	\$ (22,594,285)	\$ (21,482,797)	\$ (20,563,098)	\$ (19,818,963)
Net (Expense)/Revenue:										
Governmental Activities	\$ 58,671	\$ 252,843	\$ 54,740	\$ (81,138)	\$ 7,972	\$ 3,258	\$ 86,550	\$ 30,765	\$ (12,744)	\$ 21,839
Business-Type Activities	\$ (21,890,084)	\$ (20,524,337)	\$ (22,850,909)	\$ (24,111,054)	\$ (25,049,964)	\$ (25,477,194)	\$ (22,507,735)	\$ (21,452,032)	\$ (20,575,842)	\$ (19,797,124)
Total District-Wide Net Expense	\$ 23,203,841	\$ 22,476,326	\$ 24,785,587	\$ 24,137,248	\$ 25,584,426	\$ 22,873,815	\$ 22,107,728	\$ 21,813,276	\$ 20,421,670	\$ 19,867,432
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes, Levied for General Purposes, Net	\$ 11,777,524	\$ 11,546,592	\$ 11,320,188	\$ 11,098,220	\$ 10,880,608	\$ 10,667,263	\$ 10,311,042	\$ 9,849,922	\$ 9,388,159	\$ 9,204,077
Taxes Levied for Debt Service	550,888	568,488	586,086	582,887	578,889	565,446	571,688	567,838	567,839	565,038
Federal & State Aid Not Restricted	9,700,234	9,230,309	11,766,089	11,376,057	12,785,854	10,329,682	9,856,232	9,967,851	9,157,806	8,869,396
Tuition	197,843	108,160	191,705	129,210	155,820	147,060	32,999	186,710	135,626	32,319
Transportation Fees	937,838	857,032	611,529	1,013,517	1,152,475	1,096,815	1,173,957	1,174,765	1,091,460	1,160,762
Investment Earnings	35	70	14,364	21,190	19,552	16,272	16,166	15,800	15,373	16,108
Miscellaneous Income	462,515	165,675	96,853	36,114	23,133	51,277	173,510	50,956	65,407	20,805
Cancellation of Prior Year Rec/Payables	(423,036)	-	21,329	(119,947)	(11,905)	-	(27,866)	(566)	-	(1,073)
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Transfer to/from Business-type activities	-	-	177,444	-	-	-	-	-	-	-
Total Governmental Activities	23,203,841	22,476,326	24,785,587	24,137,248	25,584,426	22,873,815	22,107,728	21,813,276	20,421,670	19,867,432
Business-Type Activities:										
Investment Earnings	1,893	327	103	423	717	636	701	674	681	782
Transfer to Internal Service Fund	-	-	(177,444)	-	-	-	-	-	-	-
Cancellation of Prior Year Rec/Payables	-	-	-	-	-	-	-	-	-	(2,510)
Total Business-Type Activities	1,893	327	(177,341)	423	717	636	701	674	681	(1,728)
Total District-Wide	\$ 23,205,734	\$ 22,476,653	\$ 24,608,246	\$ 24,137,671	\$ 25,585,143	\$ 22,874,451	\$ 22,108,429	\$ 21,813,950	\$ 20,422,351	\$ 19,865,704
Change in Net Position:										
Governmental Activities	\$ 1,255,086	\$ 1,699,146	\$ 1,879,938	\$ 107,332	\$ 526,490	\$ (2,606,637)	\$ (486,557)	\$ 330,479	\$ (141,428)	\$ 48,469
Business-Type Activities	60,564	253,170	(122,601)	(80,715)	8,689	3,894	87,251	31,439	(12,063)	20,111
Total District	\$ 1,315,650	\$ 1,952,316	\$ 1,757,337	\$ 26,617	\$ 535,179	\$ (2,602,743)	\$ (399,306)	\$ 361,918	\$ (153,491)	\$ 68,580

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30.									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 7,127,889	\$ 6,211,222	\$ 5,935,447	\$ 4,667,947	\$ 4,736,599	\$ 4,376,520	\$ 4,072,280	\$ 3,334,707	\$ 2,965,796	\$ 2,586,994
Assigned	120,686	56,569	22,542	291,414	258,845	44,457	2,892	59,264	153,646	492,015
Unassigned	(282,711)	130,839	165,872	(297,475)	(256,632)	(256,738)	(256,361)	(242,467)	(265,439)	(286,702)
Total General Fund	\$ 6,965,864	\$ 6,398,630	\$ 6,123,861	\$ 4,661,886	\$ 4,738,812	\$ 4,164,239	\$ 3,818,811	\$ 3,151,504	\$ 2,854,003	\$ 2,792,307
All Other Governmental Funds:										
Restricted										
Special Revenue Fund	\$ 424,550	\$ 384,878	\$ 346,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	(321,106)	101,930	101,930	101,930	101,930	101,930	101,930	339,855	-	-
Debt Service Fund	1	-	-	-	2	-	15,142	15,142	15,142	15,140
Permanent Fund	-	-	-	792	666	579	567	544	563	553
Nonspendable Reported in Permanent Fund	-	-	-	10,797	10,797	10,797	10,797	10,797	10,797	10,797
Total All Other Governmental Funds	\$ 103,445	\$ 486,808	\$ 448,164	\$ 113,519	\$ 113,395	\$ 113,306	\$ 128,436	\$ 366,338	\$ 26,502	\$ 26,490

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax Levy	\$ 12,328,412	\$ 12,115,080	\$ 11,906,274	\$ 11,681,107	\$ 11,459,497	\$ 11,232,709	\$ 10,882,730	\$ 10,417,760	\$ 9,955,998	\$ 9,769,115
Tuition	197,843	108,160	191,705	129,210	155,820	170,189	157,452	186,710	135,626	32,319
Transportation Fees	937,838	857,032	611,529	1,013,517	1,152,475	1,096,815	1,173,957	1,174,765	1,091,460	1,160,762
Interest Charges	35	70	14,364	23,548	19,464	16,260	16,166	14,129	18,661	16,108
Miscellaneous	904,245	546,008	362,470	33,756	23,221	28,160	49,057	54,556	62,119	20,805
State Sources	14,733,653	14,199,413	12,468,080	11,490,116	11,185,901	10,369,332	9,896,092	10,004,359	9,200,431	8,907,627
Federal Sources	1,363,205	1,005,579	499,895	487,586	577,238	426,141	441,226	474,003	568,256	430,185
Total Revenue	30,465,231	28,831,342	26,054,317	24,858,840	24,573,616	23,339,606	22,616,680	22,326,282	21,032,551	20,336,921
Expenditures:										
Current Expense:										
Regular Instruction	5,642,831	5,347,226	4,878,538	5,098,763	5,242,325	5,312,714	5,232,423	5,016,645	5,103,280	4,800,278
Special Education Instruction	2,587,733	2,598,589	2,160,660	2,305,747	2,282,890	1,963,949	1,822,641	1,750,519	1,807,084	1,567,448
Other Special Instruction	235,374	228,294	227,231	220,760	218,793	223,119	220,669	234,488	221,276	212,750
Other Instruction	747,341	722,870	630,658	680,388	652,419	629,308	675,442	647,136	656,434	644,010
Support Services:										
Tuition, Student & Instruction Related	5,033,545	4,737,339	4,335,970	4,063,409	3,725,887	3,666,520	3,608,389	3,803,373	3,853,484	3,677,446
General Administrative	812,400	766,465	673,731	776,870	703,439	675,035	734,020	632,766	604,556	628,759
School Administration	491,748	483,866	467,076	456,673	448,415	451,798	331,853	432,049	424,329	402,390
Plant Operations and Maintenance	2,173,394	2,027,090	1,713,229	1,691,261	1,695,905	1,533,169	1,452,290	1,386,403	1,441,594	1,536,224
Pupil Transportation	1,404,052	1,228,617	923,181	1,310,255	1,445,555	1,614,427	1,423,675	1,331,879	1,334,148	1,343,232
Employee Benefits	9,263,913	8,876,246	7,392,058	6,657,124	6,647,984	6,005,842	5,598,100	5,143,837	4,614,783	4,263,363
Capital Outlay	813,834	825,000	661,010	953,000	344,550	609,701	652,300	837,115	342,038	651,824
Debt Service										
Principal	440,000	440,000	440,000	420,000	400,000	390,000	370,000	360,000	345,000	330,000
Interest	195,062	212,663	230,262	162,888	178,887	190,588	201,688	207,838	222,837	235,038
Transfer to Charter School	40,921	23,664	21,912	18,556	-	-	-	-	-	-
Total Expenditures	29,882,148	28,517,929	24,755,516	24,815,694	23,987,049	23,266,170	22,323,490	21,784,048	20,970,843	20,292,762
Excess (Deficiency) of Revenues Over/(Under) Expenditures	583,083	313,413	1,298,801	43,146	586,567	73,436	293,190	542,234	61,708	44,159
Other Financing Sources/(Uses):										
Loan Proceeds (Nonbudget)	23,824	-	-	-	-	256,862	164,081	95,669	-	-
Cancellation of Prior year (Receivable)/Payable	(423,036)	-	21,329	(119,947)	(11,905)	-	(27,866)	(566)	-	(1,073)
Total Other Financing Sources/(Uses)	(399,212)	-	21,329	(119,947)	(11,905)	256,862	136,215	95,103	-	(1,073)
Net Change in Fund Balances	\$ 183,871	\$ 313,413	\$ 1,320,130	\$ (76,801)	\$ 574,662	\$ 330,298	\$ 429,405	\$ 637,337	\$ 61,708	\$ 43,086
Debt Service as a Percentage of Noncapital Expenditures	2.23%	2.41%	2.86%	2.50%	2.51%	2.63%	2.71%	2.79%	2.83%	2.96%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDED JUNE 30,	Facility Rentals	Miscellaneous	Prior Year Refunds	Unemployment Compensation	Insurance Claims	SHIF Dividend	Sale of Assets	TOTAL
2023	\$ -	\$ 60,987	\$ 81,528	\$ -	\$ -	\$ 320,000	\$ -	\$ 462,515
2022	-	139,463	-	23,761	-	-	2,451	165,675
2021	-	53,635	-	25,952	-	-	17,266	96,853
2020	-	33,630	-	-	-	-	-	33,630
2019	2,750	15,613	-	-	-	-	4,771	23,134
2018	275	19,801	8,072	-	-	-	-	28,148
2017	-	30,086	18,894	-	-	-	-	48,980
2016	3,800	6,232	37,513	-	-	-	7,011	54,556
2015	1,388	18,343	16,127	-	13,088	-	13,088	62,034
2014	3,225	17,531	-	-	-	-	-	20,756

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	NATIONAL PARK										TOTAL SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE		
2023	\$ 2,295,300	\$ 151,193,300	\$ -	\$ -	\$ 6,780,800	\$ 166,300	\$ 709,100	\$ 161,144,800	\$ 297,830	\$ 161,442,630	1.472	\$ 192,891,825
2022	2,370,200	150,389,400	-	-	6,780,800	166,300	709,100	160,415,800	325,351	160,741,151	1.452	160,415,600
2021	2,219,600	148,806,100	-	-	6,800,100	166,300	709,100	158,701,200	342,774	159,043,974	1.449	159,174,774
2020	2,263,500	148,945,300	-	-	6,043,100	166,300	709,100	158,127,300	354,579	158,481,879	1.434	159,128,593
2019	2,194,300	148,823,300	-	-	5,993,100	166,300	709,100	157,886,100	355,082	158,241,182	1.408	158,666,764
2018	2,194,800	148,996,700	-	-	6,060,700	166,300	709,100	158,127,600	366,124	158,493,724	1.363	155,870,012
2017	2,195,500	149,215,800	-	-	6,169,400	166,300	745,600	158,492,600	361,232	158,853,832	1.339	150,388,319
2016	2,195,500	149,475,000	-	-	6,232,100	166,300	745,600	158,814,500	359,196	159,173,696	1.312	158,100,720
2015	2,238,000	149,817,400	-	-	5,876,700	166,300	579,800	158,678,200	356,578	159,034,778	1.295	162,601,818
2014	3,301,600	165,387,600	-	-	7,532,000	209,400	607,300	177,037,900	393,301	177,431,201	1.132	174,814,958
WENONAH												
2023	\$ 785,600	\$ 211,833,600	\$ -	\$ -	\$ 5,117,700	\$ -	\$ -	\$ 217,736,900	\$ -	\$ 217,736,900	1.502	\$ 262,942,585
2022	877,600	210,930,100	-	-	5,117,700	-	-	216,925,400	-	216,925,400	1.449	233,755,819
2021	735,900	211,468,100	-	-	5,931,500	-	-	218,135,500	-	218,135,500	1.404	223,115,200
2020	643,900	211,490,900	-	-	6,065,500	-	-	218,200,300	-	218,200,300	1.376	221,036,535
2019	663,000	213,807,300	-	-	5,540,500	-	-	220,010,800	-	220,010,800	1.336	221,590,713
2018	761,300	215,293,900	-	-	5,567,800	-	-	221,623,000	-	221,623,000	1.297	217,844,434
2017	1,322,300	216,085,600	-	-	5,934,300	-	-	223,342,200	-	223,342,200	1.262	222,819,087
2016	1,382,800	216,886,900	-	-	6,159,100	-	-	224,428,800	-	224,428,800	1.233	226,253,146
2015	1,707,700	216,444,800	-	-	6,486,700	-	-	224,639,200	-	224,639,200	1.210	232,947,471
2014	1,751,700	244,644,600	-	-	7,274,300	-	-	253,670,600	-	253,670,600	1.050	240,495,923

Source: Gloucester County Abstract of Ratables

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

WESTVILLE

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2023	\$ 2,661,000	\$ 176,839,350	\$ -	\$ -	\$ 20,725,000	\$ 24,016,200	\$ 9,946,700	\$ 234,188,250	\$ 246,682	\$ 234,434,932	1.281	\$ 304,357,717
2022	2,642,000	175,831,200	-	-	20,970,500	24,016,200	9,946,700	233,406,600	220,402	233,627,002	1.260	260,627,067
2021	2,673,300	173,947,400	-	-	21,145,500	24,116,200	10,054,900	231,937,300	229,833	232,167,133	1.219	219,231,805
2020	2,225,600	173,496,300	-	-	21,289,100	24,290,800	10,074,900	231,376,700	214,347	231,591,047	1.198	239,197,464
2019	2,153,200	174,573,300	-	-	21,801,900	24,669,200	10,074,900	233,272,500	208,848	233,481,348	1.062	247,305,671
2018	2,137,800	174,430,600	-	-	22,732,600	25,963,200	10,074,900	235,339,100	213,290	235,552,390	1.234	248,495,655
2017	2,145,800	174,631,100	-	-	22,918,300	26,787,600	10,143,100	236,625,900	214,936	236,840,836	1.145	253,869,778
2016	2,260,300	174,483,200	-	-	23,193,200	26,906,600	10,172,500	237,015,800	227,783	237,243,583	1.104	250,163,793
2015	2,376,800	190,783,270	-	-	25,951,100	31,439,400	10,579,100	261,129,670	227,089	261,356,759	0.928	251,787,293
2014	2,267,400	190,951,470	-	-	25,496,700	33,368,400	11,034,600	263,118,570	328,424	263,446,994	0.886	261,356,759

WOODBURY HEIGHTS

2023	\$ 5,274,900	\$ 190,294,500	\$ -	\$ -	\$ 48,359,100	\$ 6,776,100	\$ 300,000	\$ 251,004,600	\$ 561,857	\$ 251,566,457	1.261	\$ 317,185,495
2022	5,650,300	189,403,900	-	-	46,950,900	6,776,100	300,000	249,081,200	616,211	249,697,411	1.229	284,390,972
2021	5,296,400	190,457,000	-	-	46,411,500	6,911,100	300,000	249,376,000	641,821	250,017,821	1.138	269,566,870
2020	5,296,400	190,323,800	-	-	46,682,500	6,911,100	300,000	249,513,800	648,620	250,162,420	1.115	264,955,862
2019	5,444,500	191,444,300	-	-	46,643,200	6,911,100	300,000	250,743,100	647,817	251,390,917	1.078	262,878,676
2018	7,022,800	191,393,100	-	-	47,196,900	6,911,100	300,000	252,823,900	661,467	253,485,367	1.070	263,967,992
2017	7,078,400	191,407,600	-	-	47,045,400	7,234,700	300,000	253,066,100	661,277	253,727,377	1.029	264,568,430
2016	7,163,100	191,274,400	-	-	47,745,100	7,163,700	300,000	253,646,300	663,967	254,310,267	0.988	261,697,969
2015	7,266,700	191,390,700	-	-	50,974,700	6,167,800	300,000	256,099,900	657,377	256,757,277	0.944	260,980,707
2014	7,361,400	191,765,800	-	-	54,773,000	6,158,500	300,000	260,358,700	730,428	261,089,128	0.906	266,660,441

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

NATIONAL PARK

FISCAL YEAR ENDED JUN 30,	SCHOOL DISTRICT DIRECT RATE		BOROUGH OF NATIONAL PARK	OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	DEBT SERVICE		GATEWAY		ALL GLOUCESTER COUNTY	
				REGIONAL HIGH SCHOOL	SCHOOL		
2023	1.472	0.000	0.994	1.499	0.716	4.681	
2022	1.452	0.000	0.974	1.459	0.745	4.630	
2021	1.449	0.000	0.932	1.346	0.773	4.500	
2020	1.449	0.000	0.916	1.294	0.735	4.394	
2019	1.434	0.000	0.905	1.316	0.732	4.387	
2018	1.408	0.000	0.893	1.264	0.710	4.275	
2017	1.363	0.000	0.883	1.159	0.683	4.088	
2016	1.339	0.000	0.873	1.138	0.699	4.049	
2015	1.312	0.000	0.901	1.139	0.676	4.028	
2014	1.295	0.000	0.844	1.077	0.639	3.855	

WENONAH

FISCAL YEAR ENDED JUN 30,	SCHOOL DISTRICT DIRECT RATE		BOROUGH OF WENONAH	OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	DEBT SERVICE		GATEWAY		GLOUCESTER COUNTY	
				REGIONAL SCHOOL	SCHOOL		
2023	1.388	0.114	0.718	1.318	0.681	4.219	
2022	1.357	0.092	0.714	1.377	0.650	4.190	
2021	1.312	0.092	0.701	1.422	0.702	4.229	
2020	1.287	0.089	0.701	1.429	0.707	4.213	
2019	1.245	0.091	0.739	1.381	0.689	4.145	
2018	1.209	0.088	0.817	1.332	0.628	4.074	
2017	1.176	0.086	0.799	1.344	0.669	4.074	
2016	1.148	0.085	0.799	1.276	0.679	3.987	
2015	1.123	0.086	0.802	1.212	0.678	3.901	
2014	0.976	0.074	0.711	1.007	0.582	3.350	

Source: Gloucester County Board of Taxation - Abstract of Ratables

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

WESTVILLE

FISCAL YEAR ENDED JUN 30,	SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT	OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	DEBT SERVICE		BOROUGH OF WESTVILLE	GATEWAY REGIONAL HIGH SCHOOL	ALL GLOUCESTER COUNTY	
2023	1.281	0.000	1.281	1.466	1.536	0.732	5.015
2022	1.260	0.000	1.260	1.438	1.474	0.713	4.885
2021	1.219	0.000	1.219	1.408	1.317	0.718	4.662
2020	1.198	0.000	1.198	1.354	1.278	0.729	4.559
2019	1.062	0.000	1.062	1.323	1.228	0.742	4.355
2018	1.234	0.000	1.234	1.323	1.211	0.711	4.479
2017	1.145	0.000	1.145	1.288	1.183	0.711	4.327
2016	1.104	0.000	1.104	1.254	1.096	0.692	4.146
2015	0.928	0.000	0.928	1.096	0.977	0.569	3.570
2014	0.886	0.000	0.886	1.063	0.968	0.561	3.478

WOODBURY HEIGHTS

FISCAL YEAR ENDED JUN 30,	SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT	OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	DEBT SERVICE		BOROUGH OF WOODBURY HEIGHTS	GATEWAY REGIONAL SCHOOL	GLOUCESTER COUNTY	
2023	1.261	0.000	1.261	1.311	1.418	0.757	4.747
2022	1.229	0.000	1.229	1.291	1.409	0.772	4.701
2021	1.138	0.000	1.138	1.230	1.424	0.801	4.593
2020	1.115	0.000	1.115	1.210	1.418	0.774	4.517
2019	1.078	0.000	1.078	1.179	1.375	0.758	4.390
2018	1.070	0.000	1.070	1.158	1.320	0.750	4.298
2017	1.029	0.000	1.029	1.133	1.273	0.752	4.187
2016	0.988	0.000	0.988	1.103	1.234	0.720	4.045
2015	0.944	0.000	0.944	1.065	1.189	0.673	3.871
2014	0.906	0.000	0.906	1.021	1.160	0.659	3.746

Source: Gloucester County Board of Taxation - Abstract of Ratables

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

NATIONAL PARK

TAXPAYER	2023		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Exchaneright Net-Leased Portfolio	\$ 937,000	1	0.58%
Lakehurst NP, LLC	722,500	2	0.45%
Taxpayer #1	599,500	3	0.37%
Taxpayer #2	578,900	4	0.36%
Taxpayer #3	527,700	5	0.33%
Fulton Bank, NA	493,800	6	0.31%
Taxpayer #4	428,500	7	0.27%
Taxpayer #5	421,500	8	0.26%
VRH NP, LLC	380,600	9	0.24%
PSE&G Power, LLC	373,800	10	0.23%
Total	<u>\$ 5,463,800</u>		<u>3.38%</u>

TAXPAYER	2014		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Taxpayer #1	\$ 599,500	1	0.34%
The Bank of Gloucester County	493,800	2	0.28%
Taxpayer #2	464,000	3	0.26%
Taxpayer #3	454,100	4	0.26%
Federal National Mtg. Assn.	423,500	5	0.24%
Taxpayer #4	421,500	6	0.24%
Taxpayer #5	383,400	7	0.22%
Taxpayer #6	380,600	8	0.21%
PSE&G Power, LLC	373,800	9	0.21%
Verizon New Jersey	356,578	10	0.20%
Total	<u>\$ 4,350,778</u>		<u>2.45%</u>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

WENONAH

TAXPAYER	2023		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
First Union National Bank	\$ 975,700	1	0.45%
Taxpayer #1	850,000	2	0.39%
Taxpayer #2	834,800	3	0.38%
Taxpayer #3	675,700	4	0.31%
Taxpayer #4	668,700	5	0.31%
Taxpayer #5	663,700	6	0.30%
Taxpayer #6	646,800	7	0.30%
Taxpayer #7	600,200	8	0.28%
200 E. Mantua Ave., LLC	590,400	9	0.27%
Taxpayer #8	585,200	10	0.27%
Total	<u>\$ 7,091,200</u>		<u>3.26%</u>

TAXPAYER	2014		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Taxpayer 1	\$ 1,100,000	1	0.43%
Taxpayer 2	1,050,000	2	0.41%
Taxpayer 3	978,600	3	0.39%
Taxpayer 4	975,000	4	0.38%
Taxpayer 5	961,400	5	0.38%
First Union National Bank	900,000	6	0.35%
Taxpayer 6	842,400	7	0.33%
Taxpayer 7	820,000	8	0.32%
Taxpayer 8	785,800	9	0.31%
Taxpayer 9	752,000	10	0.30%
Total	<u>\$ 9,165,200</u>		<u>3.61%</u>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

WESTVILLE

TAXPAYER	2023		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Sunoco Inc C/O KE Andrews & Co	\$ 6,153,700	1	2.62%
Mega 712 Broadway LLC	2,929,300	2	1.25%
Pellegrino Enterprises LLC	2,350,000	3	1.00%
Carter Apartments, LP	2,150,100	4	0.92%
Babylon Properties, LLC	2,013,500	5	0.86%
Arber Properties LLC	2,000,000	6	0.85%
RAAB Family Partnership, LP	1,659,500	7	0.71%
Taxpayer #1	1,453,000	8	0.62%
Browns Westville, LLC	1,422,000	9	0.61%
MV Holdings, LLC	1,419,900	10	0.61%
Total	\$ 23,551,000		10.05%

TAXPAYER	2014		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Sunoco Inc	\$ 8,857,900	1	3.36%
AMC Delancy I-295 Partners LP	3,561,300	2	1.35%
712 Broadway LLC	3,300,300	3	1.25%
Journey LLC	2,934,800	4	1.11%
Pellegrino Enterprises LLC	2,350,000	5	0.89%
Woodbine Norse LLC	2,150,100	6	0.82%
EJB LLC	2,085,600	7	0.79%
Taxpayer #1	2,013,500	8	0.76%
Arber Properties LLC	2,000,000	9	0.76%
Brown's Westville LLC	1,796,400	10	0.68%
Total	\$ 31,049,900		11.79%

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

WOODBURY HEIGHTS

TAXPAYER	2023		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Oak Valley Plaza Inc	\$ 12,145,000	1	4.83%
Wawa Inc	2,555,500	2	1.02%
Phalines & Gligor, LLC	2,200,000	3	0.87%
HCD Realty LLC	2,112,200	4	0.84%
Woodbury Heights Development LLC	1,755,000	5	0.70%
Balducci Inc	1,710,000	6	0.68%
Steves Storage Shacks, LLC	1,373,100	7	0.55%
Heights Plaza, LLC	1,362,500	8	0.54%
Jonathon Advisors, LP	1,341,800	9	0.53%
Genius One LLC	1,325,000	10	0.53%
Total	<u>\$ 27,880,100</u>		<u>11.08%</u>

TAXPAYER	2014		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Oak Valley Plaza Inc	\$ 13,433,200	1	5.15%
Woodbury Heights Development LLC	4,510,000	2	1.73%
Wawa Inc	3,049,000	3	1.17%
Balducci Inc.	2,383,500	4	0.91%
HCD Realty LLC	2,188,800	5	0.84%
Transcontinental Gas Pipeline Co	2,081,900	6	0.80%
Heights Plaza LLC	1,934,600	7	0.74%
Taxpayer #1	1,708,300	8	0.65%
Taxpayer #2	1,543,200	9	0.59%
McDonalds Corporation	1,510,500	10	0.58%
Total	<u>\$ 34,343,000</u>		<u>13.15%</u>

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2023	\$ 12,328,412	\$ 12,328,412	100.00%
2022	12,115,080	12,115,080	100.00%
2021	11,906,274	11,906,274	100.00%
2020	11,681,107	11,681,107	100.00%
2019	11,459,497	11,459,497	100.00%
2018	11,232,709	11,232,709	100.00%
2017	10,882,730	10,882,730	100.00%
2016	10,417,760	10,417,760	100.00%
2015	9,955,998	9,955,998	100.00%
2014	9,769,115	9,769,115	100.00%

NATIONAL PARK

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2023	\$ 2,346,430	\$ 2,346,430	100%
2022	2,168,926	2,168,926	100%
2021	2,141,102	2,141,102	100%
2020	2,051,885	2,051,885	100%
2019	2,227,952	2,227,952	100%
2018	2,161,615	2,161,615	100%
2017	2,126,782	2,126,782	100%
2016	2,088,593	2,088,593	100%
2015	2,059,875	2,059,875	100%
2014	2,010,109	2,010,109	100%

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

WENONAH

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2023	\$ 2,901,619	\$ 2,901,619	100.00%
2022	3,103,402	3,103,402	100.00%
2021	3,119,294	3,119,294	100.00%
2020	3,037,317	3,037,317	100.00%
2019	2,900,660	2,900,660	100.00%
2018	2,845,937	2,845,937	100.00%
2017	2,788,604	2,788,604	100.00%
2016	2,742,290	2,742,290	100.00%
2015	2,691,806	2,691,806	100.00%
2014	2,632,370	2,632,370	100.00%

WESTVILLE

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2023	\$ 3,448,394	\$ 3,448,394	100.00%
2022	3,435,327	3,435,327	100.00%
2021	3,151,329	3,151,329	100.00%
2020	2,965,090	2,965,090	100.00%
2019	2,746,225	2,746,225	100.00%
2018	2,692,378	2,692,378	100.00%
2017	2,639,586	2,639,586	100.00%
2016	2,780,610	2,780,610	100.00%
2015	2,467,322	2,467,322	100.00%
2014	2,371,975	2,371,975	100.00%

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

WOODBURY HEIGHTS

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2023	\$ 3,631,969	\$ 3,631,969	100.00%
2022	3,407,425	3,407,425	100.00%
2021	3,494,549	3,494,549	100.00%
2020	3,626,815	3,626,815	100.00%
2019	2,762,882	2,762,882	100.00%
2018	2,675,946	2,675,946	100.00%
2017	2,653,644	2,653,644	100.00%
2016	2,567,984	2,567,984	100.00%
2015	2,460,268	2,460,268	100.00%
2014	2,389,204	2,389,204	100.00%

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

NATIONAL PARK

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES				
2023	\$ 471,737	\$ -	\$	471,737	Unavailable	Unavailable
2022	550,428	-		550,428	Unavailable	180
2021	630,096	9,474		639,570	0.33%	208
2020	709,763	18,772		728,535	0.41%	247
2019	1,291,450	-		1,291,450	0.77%	439
2018	1,526,450	-		1,526,450	0.94%	516
2017	1,756,450	-		1,756,450	1.12%	593
2016	1,981,450	-		1,981,450	1.31%	666
2015	2,201,450	-		2,201,450	1.48%	737
2014	2,426,450	-		2,426,450	1.71%	810

WENONAH

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES				
2023	\$ 645,117	\$ -	\$	645,117	Unavailable	Unavailable
2022	762,227	-		762,227	Unavailable	331
2021	872,550	13,120		885,670	0.61%	383
2020	982,872	25,996		1,008,868	0.75%	455
2019	885,000	-		885,000	0.70%	400
2018	1,055,000	-		1,055,000	0.87%	475
2017	1,220,000	-		1,220,000	1.04%	547
2016	1,375,000	-		1,375,000	1.21%	615
2015	1,530,000	-		1,530,000	1.37%	681
2014	1,680,000	-		1,680,000	1.58%	747

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

WESTVILLE

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES				
2023	\$ 717,063	\$ -	\$	717,063	Unavailable	Unavailable
2022	826,586	0		826,586	Unavailable	192
2021	946,223	14,227		960,450	0.35%	222
2020	1,065,860	28,191		1,094,051	0.44%	263
2019	-	-		-	0.00%	0
2018	-	-		-	0.00%	0
2017	-	-		-	0.00%	0
2016	-	-		-	0.00%	0
2015	189,000	-		189,000	0.09%	45
2014	369,000	-		369,000	0.18%	87

WOODBURY HEIGHTS

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES				
2023	\$ 766,083	-	\$	766,083	Unavailable	Unavailable
2022	900,759	-		900,759	Unavailable	289
2021	1,031,132	15,504		1,046,636	0.54%	335
2020	1,161,505	30,720		1,192,225	0.66%	401
2019	207,516	-		207,516	0.12%	70
2018	232,516	-		232,516	0.14%	78
2017	257,516	-		257,516	0.16%	86
2016	277,516	-		277,516	0.18%	93
2015	297,516	-		297,516	0.20%	99
2014	317,516	7,561		325,077	0.23%	108

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

NATIONAL PARK

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				
2023	\$ 471,737	\$ -		\$ 471,737	0.29%	Unavailable
2022	550,428	-		550,428	0.34%	180
2021	630,096	-		630,096	0.40%	205
2020	709,763	-		709,763	0.45%	241
2019	1,291,450	-		1,291,450	0.82%	439
2018	1,526,450	-		1,526,450	0.96%	516
2017	1,756,450	-		1,756,450	1.11%	593
2016	1,981,450	-		1,981,450	1.24%	666
2015	2,201,450	-		2,201,450	1.38%	737
2014	2,426,450	-		2,426,450	1.37%	810

WENONAH

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				
2023	\$ 645,117	\$ -		\$ 645,117	0.30%	Unavailable
2022	762,227	-		762,227	0.35%	331
2021	872,550	-		872,550	0.40%	377
2020	982,872	-		982,872	0.45%	443
2019	885,000	-		885,000	0.40%	400
2018	1,055,000	-		1,055,000	0.48%	475
2017	1,220,000	-		1,220,000	0.55%	547
2016	1,375,000	-		1,375,000	0.61%	615
2015	1,530,000	-		1,530,000	0.68%	681
2014	1,680,000	-		1,680,000	0.66%	747

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

WESTVILLE

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2023	\$ 717,063	\$ -	\$ 717,063	0.31%	Unavailable
2022	826,586	-	826,586	0.35%	192
2021	946,223	-	946,223	0.41%	219
2020	1,065,860	-	1,065,860	0.46%	257
2019	-	-	-	0.00%	0
2018	-	-	-	0.00%	0
2017	-	-	-	0.00%	0
2016	-	-	-	0.00%	0
2015	189,000	-	189,000	0.07%	45
2014	369,000	-	369,000	0.14%	87

WOODBURY HEIGHTS

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2023	\$ 766,083	\$ -	\$ 766,083	0.30%	Unavailable
2022	900,759	-	900,759	0.36%	289
2021	1,031,132	-	1,031,132	0.41%	330
2020	1,161,505	-	1,161,505	0.46%	391
2019	207,516	-	207,516	0.08%	70
2018	232,516	-	232,516	0.09%	78
2017	257,516	-	257,516	0.10%	86
2016	277,516	-	277,516	0.11%	93
2015	297,516	-	297,516	0.12%	99
2014	317,516	-	317,516	0.12%	105

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
National Park			
Debt Repaid With Property Taxes:			
Gateway Regional High School	\$ 2,600,000	18.14%	\$ 471,737
Borough of National Park*	300,000	100.00%	300,000
Gloucester County*	151,050,000	0.62%	938,847
			<hr/>
Total Direct & Overlapping Debt			<u><u>\$ 1,710,584</u></u>
Wenonah			
Debt Repaid With Property Taxes:			
Gateway Regional High School	\$ 2,600,000	24.81%	\$ 645,117
Borough of Wenonah*	3,171,000	100.00%	3,171,000
Gloucester County*	151,050,000	0.85%	1,283,908
			<hr/>
Total Direct & Overlapping Debt			<u><u>\$ 5,100,025</u></u>
Westville			
Debt Repaid With Property Taxes:			
Gateway Regional High School	\$ 2,600,000	27.58%	\$ 717,063
Borough of Westville*	3,747,596	100.00%	3,747,596
Gloucester County*	151,050,000	0.94%	1,427,093
			<hr/>
Total Direct & Overlapping Debt			<u><u>\$ 5,891,752</u></u>
Woodbury Heights			
Debt Repaid With Property Taxes:			
Gateway Regional High School	\$ 2,600,000	29.46%	\$ 766,083
Borough of Woodbury Heights*	3,142,500	100.00%	3,142,500
Gloucester County*	151,050,000	1.01%	1,524,654
			<hr/>
Total Direct & Overlapping Debt			<u><u>\$ 5,433,237</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Taxation, Borough of National Park, Borough of Wenonah, Borough of Westville and Borough of Woodbury Heights Annual Debt Statements.

*Balance is Net Debt as of December 31, 2022

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 33,854,598	\$ 31,796,604	\$ 31,127,704	\$ 26,824,169	\$ 26,806,886	\$ 26,718,018	\$ 26,846,744	\$ 27,078,535	\$ 27,546,777	\$ 28,264,500
Total Net Debt Applicable to Limit	2,600,000	3,040,000	3,480,000	3,920,000	4,340,000	4,740,000	5,130,000	5,500,000	5,860,000	6,205,000
Legal Debt Margin	\$ 31,254,598	\$ 28,756,604	\$ 27,647,704	\$ 22,904,169	\$ 22,466,886	\$ 21,978,018	\$ 21,716,744	\$ 21,578,535	\$ 21,686,777	\$ 22,059,500
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (3%)	7.68%	9.56%	11.18%	14.61%	16.19%	17.74%	19.11%	20.31%	21.27%	21.95%

	Equalized Valuation Basis				
	Combined	National Park	Wenonah	Westville	Woodbury Heights
2022	\$ 1,068,682,583	\$ 191,564,127	\$ 261,860,695	\$ 302,066,261	\$ 313,191,500
2021	951,415,473	174,305,531	235,059,806	258,086,584	283,963,552
2020	881,724,651	160,628,745	223,085,881	240,150,445	257,859,580
	\$ 2,901,822,707	\$ 526,498,403	\$ 720,006,382	\$ 800,303,290	\$ 855,014,632
Average Equalized Valuation of Taxable Property	\$ 967,274,236	\$ 175,499,468	\$ 240,002,127	\$ 266,767,763	\$ 285,004,877
Debt Limit (3.5% of Average Equalization Value)	\$ 33,854,598				
Net Bonded School Debt	2,600,000				
Legal Debt Margin	\$ 31,254,598				

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

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

NATIONAL PARK				
YEAR	POPULATION (a)	PERSONAL INCOME (b)	GLOUCESTER COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2022	3,054	Unavailable	Unavailable	4.4%
2021	3,074	192,287,922	62,553	7.3%
2020	2,949	178,078,314	60,386	11.5%
2019	2,945	167,432,085	56,853	4.7%
2018	2,957	161,588,222	54,646	5.7%
2017	2,964	156,288,756	52,729	7.0%
2016	2,973	150,992,724	50,788	7.0%
2015	2,989	148,320,158	49,622	8.0%
2014	2,994	141,933,564	47,406	9.3%
2013	3,001	137,880,945	45,945	12.6%

WENONAH				
YEAR	POPULATION (a)	PERSONAL INCOME (b)	GLOUCESTER COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2022	2,302	Unavailable	Unavailable	2.8%
2021	2,315	144,810,195	62,553	4.6%
2020	2,217	133,875,762	60,386	6.7%
2019	2,214	125,872,542	56,853	2.4%
2018	2,223	121,478,058	54,646	2.9%
2017	2,229	117,532,941	52,729	3.6%
2016	2,235	113,511,180	50,788	4.6%
2015	2,247	111,500,634	49,622	4.9%
2014	2,250	106,663,500	47,406	3.9%
2013	2,258	103,743,810	45,945	9.2%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 - (b) Personal income calculated using population and per capita personal income
 - (c) Per Capita Personal Income provided by the NJ Dept. of Labor and Workforce Development
 - (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development
- N/A - Information not available

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	WESTVILLE			
	POPULATION (a)	PERSONAL INCOME (b)	GLOUCESTER COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2022	4,304	Unavailable	Unavailable	4.9%
2021	4,326	270,604,278	62,553	8.7%
2020	4,154	250,843,444	60,386	12.9%
2019	4,147	235,769,391	56,853	5.1%
2018	4,165	227,600,590	54,646	5.7%
2017	4,175	220,143,575	52,729	6.0%
2016	4,187	212,649,356	50,788	7.4%
2015	4,210	208,908,620	49,622	7.8%
2014	4,220	200,053,320	47,406	9.4%
2013	4,234	194,531,130	45,945	13.2%

YEAR	WOODBURY HEIGHTS			
	POPULATION (a)	PERSONAL INCOME (b)	GLOUCESTER COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2022	3,113	Unavailable	Unavailable	3.0%
2021	3,127	195,603,231	62,553	5.4%
2020	2,970	179,346,420	60,386	8.8%
2019	2,965	168,569,145	56,853	3.5%
2018	2,976	162,626,496	54,646	4.2%
2017	2,983	157,290,607	52,729	4.4%
2016	2,991	151,906,908	50,788	5.1%
2015	3,007	149,213,354	49,622	5.3%
2014	3,015	142,929,090	47,406	4.8%
2013	3,016	138,570,120	45,945	5.5%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 - (b) Personal income calculated using population and per capita personal income
 - (c) Per Capita Personal Income provided by the NJ Dept. of Labor and Workforce Development
 - (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development
- N/A - Information not available

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS**

	2023	2014
	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>
Rowan University	3,500	1,483
Inspira Medical Center, Woodbury	1,222	1,825
Kennedy Memorial Hospital	N/A	1,675
Washington Township School District	N/A	1,598
County of Gloucester	N/A	1,425
Missa Bay, LLC	N/A	950
Walmart Supercenter	800	N/A
Monroe Township School District	N/A	792
U.S. Food Services	N/A	725
Jefferson Health, Washington Township	670	N/A
ExxonMobil Research & Engineering	N/A	540
Aryzta LA Brea Bakery, Inc.	500	525
Keller Williams Realty	500	N/A
Honda of Turnersville	499	N/A
Paulsboro Refinery, LLC Ap	402	N/A
Washington Township High School	400	N/A
Johnson Matthey, Inc.	379	N/A
	<u>8,872</u>	<u>11,538</u>

Source: Information provided by the Gloucester County Office of Economic Development and Employer Directly.

Note: The information provided is for the County of Gloucester. Information at the municipal level is not available.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	65.0	65.0	66.0	66.0	66.0	66.0	66.0	66.0	66.5	67.5
Special Education	20.0	20.0	20.0	19.0	19.0	19.0	18.0	18.0	16.5	16.5
Other Special Education	10.0	10.0	10.0	10.0	10.0	10.0	9.0	9.0	8.0	8.0
Support Services:										
Student & instruction related services	28.0	28.0	19.0	18.0	18.0	17.0	17.0	14.0	12.0	12.0
General & Business Administrative Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School Administrative Services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Business & Other Support Services	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Central Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Information Technology	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5
Plant Operations & Maintenance	17.0	16.0	15.0	15.0	15.0	15.0	14.5	14.0	13.0	14.0
Pupil Transportation	36.0	34.0	34.0	39.0	41.0	41.0	41.0	41.0	40.0	40.0
Other Support	18.0	18.0	17.0	16.0	15.0	14.0	14.0	14.0	14.0	14.0
Total	208.0	205.0	195.0	197.0	198.0	196.0	193.5	190.0	184.0	185.5

Source: District Personnel Records

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
					TEACHING STAFF (b)	HIGH			
2023	849	\$ 28,433,252	\$ 33,490	5.15%	109	1:8	873.4	1.73%	93.60%
2022	849	27,040,266	31,850	16.80%	109	1:8	858.6	-3.76%	92.66%
2021	859	23,424,244	27,269	3.03%	115	1:7	892.1	-3.13%	94.63%
2020	885	23,424,244	26,468	0.73%	113	1:8	921.0	1.21%	95.98%
2019	886	23,279,806	26,275	1.85%	113	1:8	910.0	2.71%	94.29%
2018	894	23,063,612	25,798	8.91%	112	1:8	886.0	-5.54%	91.08%
2017	932	22,075,881	23,687	7.55%	110	1:8	938.0	2.51%	92.00%
2016	958	21,099,502	22,025	2.24%	107	1:9	915.0	-1.19%	91.69%
2015	946	20,379,095	21,542	-4.11%	103	1:9	926.0	5.59%	91.47%
2014	893	20,060,968	22,465	4.69%	104	1:8	877.0	-0.23%	91.79%

Sources: District records

Note: Enrollment based on June district count.

- a. Operating expenditures equal total expenditures less debt service and capital outlay
- b. Teaching staff includes only full-time equivalents of certificated staff taken from the District Staff List
- c. Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
High School:										
Square Feet	185,647	185,647	185,647	185,647	185,647	185,647	185,647	185,647	185,647	185,647
Capacity (Students)	1040	1040	1040	1040	1040	1040	1040	1040	1040	1040
Enrollment	849	849	859	895	886	894	932	958	946	893
Other										
Maintenance Garage (1996)	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760
Square Feet										
Central Administration (1999)	8266	8266	8266	8266	8266	8266	8266	8266	8266	8266
Square Feet										
Generator Building (1995)	480	480	480	480	480	480	480	480	480	480
Square Feet										
Athletic Storage (1971)	864	864	864	864	864	864	864	864	864	864
Square Feet										
Ticket Booth (1995)	154	154	154	154	154	154	154	154	154	154
Square Feet										
Press Box (1995)	60	60	60	60	60	60	60	60	60	60
Square Feet										
Fieldhouse (1971)	1380	1380	1380	1380	1380	1380	1380	1380	1380	1380
Square Feet										

Number of Schools at June 30, 2023:
 High School = 1
 Other = 7

Source: District records, ASSA

Note: Year of original construction is shown in parentheses.

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	TOTAL
2023	\$ 487,124
2022	581,368
2021	388,197
2020	268,878
2019	316,061
2018	235,808
2017	261,326
2016	229,773
2015	182,510
2014	203,942

Source: District records

**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023**

I. Property, Inland Marine and Automobile Physical Damages		
A. Limit of Liability		\$175,000,000 Per Occurance
1. GCSSD JIF Self Insurance Retention		\$250,000 Per Occurance
2. Member District Deductible		\$500 Per Occurance
3. Perils Incurred		"All Risk"
B. Property Valuation		
1. Building and Contents		Replacement Cost
2. Contractors Equipment		Actual Cash Value
3. Automobiles		Replacement Cost
II. Boiler and Machinery		
A. Limit of Liability		\$125,000,000
1. GCSSD JIF Self Insurance Retention		None
2. Member District Deductible		\$1,000
III. Crine		
A. Limit of Liability		\$500,000
1. GCSSD JIF Self Insurance Retention		\$250,000
2. Member District Deductible		\$500
IV. General and Automobile Liability		
A. Limit of Liability		\$20,000,000
1. GCSSD JIF Self Insurance Retention		\$250,000
2. Member District Deductible		None
V. Workers' Compensation		
A. Limit of Liability		Statutory
1. GCSSD JIF Self Insurance Retention		\$250,000
2. Member District Deductible		None
VI. Educator's Legal Liability		
A. Limit of Liability		\$20,000,000
1. GCSSD JIF Self Insurance Retention		\$250,000
2. Member District Deductible		None
VII. Pollution Legal Liability		
A. Limit of Liability		\$3,000,000
1. GCSSD JIF Self Insurance Retention		None
2. Member District Deductible - Pollution Incident		\$25,000
3. Member District Deductible - Mold Incident		\$100,000-\$250,000
VIII. Cyber Liability (Please see Certificate of Coverage for Covered Districts)		
A. Limit of Liability		\$2,000,000
1. GCSSD JIF Self Insurance Retention		None
2. Member District Deductible		\$50,000-\$100,000
IX. Crisis Protection & Disaster Management Services		
A. Limit of Liability		\$1,000,000
1. GCSSD JIF Self Insurance Retention		None
2. Member District Deductible		\$10,000
Surety Bond Coverage - Selective Insurance Company of America		
Business Administrator - Janice Grassia		\$10,000
Surety Bond Coverage - Ohio Casualty Insurance Company		
Treasurer - Charles Owens		\$225,000

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SINGLE AUDIT SECTION

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Certified Public Accountants & Advisors

EXHIBIT K-1

INDEPENDENT AUDITOR'S 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

Honorable President and Members
of the Board of Education
Gateway Regional High School District
County of Gloucester
Woodbury Heights, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Gateway Regional High School District (the "School District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 19, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 19, 2024



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Gateway Regional High School District
County of Gloucester
Woodbury Heights, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Gateway Regional High School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal and state programs for the fiscal year ended June 30, 2023. The 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 School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal 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; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; 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 Compliance section of our report.

We are required to be independent of the School District and to meet our 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 state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the 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 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 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the 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 accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 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 New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 19, 2024

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**GATEWAY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	FAIN NUMBER	GRANTOR STATE PROJECT NUMBER	PROGRAM AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	BALANCE AT JUNE 30, 2023 (ACCOUNTS RECEIVABLE)	UNEARNED REVENUE
U.S. Department of Agriculture											
Passed Through New Jersey Department of Agriculture:											
Child Nutrition Cluster:											
School Breakfast Program	10.553	23N0304N1099	100-010-3350-028	\$ 118,176	7/1/22-6/30/23	\$ -	\$ 111,251	\$ (118,176)	\$ -	\$ (6,925)	\$ -
COVID-19 School Breakfast	10.553	22N0304N1099	100-010-3350-028	308,242	7/1/21-6/30/22	(19,647)	19,647	-	-	-	-
National School Lunch Program	10.555	23N0304N1099	100-010-3350-026	360,148	7/1/22-6/30/23	-	342,644	(360,148)	-	(17,504)	-
COVID-19 National School Lunch Program	10.555	22N0304N1099	100-010-3350-026	807,732	7/1/21-6/30/22	(368,79)	36,879	-	-	-	-
Healthy Hunger-Free Kids Act	10.555	23N0304N1099	100-010-3350-026	10,220	7/1/22-6/30/23	-	9,730	(10,220)	-	(490)	-
COVID-19 After School Snack Program	10.555	22N0304N1099	100-010-3350-026	2,500	7/1/21-6/30/22	(138)	-	-	-	-	-
COVID-19 Supply Chain Assistance Award	10.555	23N0304N1099	100-010-3350-118	21,011	8/25/22-9/30/24	-	21,011	-	-	(21,011)	-
Food Distribution Program (Noncash Assistance)	10.555	23N0304N1099	Unavailable	70,523	7/1/22-6/30/23	-	70,523	(70,377)	-	-	146
Food Distribution Program (Noncash Assistance)	10.555	22N0304N1099	Unavailable	62,685	7/1/21-6/30/22	135	-	(135)	-	-	-
Total Child Nutrition Cluster						(56,529)	611,823	(580,067)	-	(24,919)	146
Total U.S. Department of Agriculture						(56,529)	611,823	(580,067)	-	(24,919)	146
U.S. Department of Health and Human Services											
Passed Through New Jersey Department of Human Services:											
Medical Assistance Program (SEMI)											
Medical Assistance Program (SEMI)	93.778	2305NJMAP	100-054-7540-211	33,025	7/1/22-6/30/23	-	33,025	(33,025)	-	-	-
Medical Assistance Program (SEMI)	93.778	2205NJMAP	100-054-7540-211	35,606	7/1/21-6/30/22	(4,574)	4,574	-	-	-	-
Medical Assistance Program (FFCRA/SEMI)	93.778	2305NJMAP	100-054-7540-211	3,652	1/1/21-12/31/21	-	3,652	(3,652)	-	-	-
Total U.S. Department of Health and Human Services						(4,574)	41,251	(36,677)	-	-	-
U.S. Department of Education											
Passed Through New Jersey Department of Education:											
Title I - Part A											
Title I - Part A	84.010	S010A220030	100-034-5064-194	121,914	7/1/22-9/30/23	-	47,152	(111,426)	-	(64,274)	-
Title I - Part A	84.010	S010A210030	100-034-5064-194	171,679	7/1/21-9/30/22	(157,776)	157,776	-	-	-	-
Title I - SIA	84.010	S010A220030	100-034-5064-194	35,004	7/1/22-9/30/23	-	4,393	(11,866)	-	(7,473)	-
Title I - SIA	84.010	S010A210030	100-034-5064-194	45,032	7/1/21-9/30/22	(30,029)	30,029	-	-	-	-
Subtotal						(187,805)	239,350	(123,292)	-	(71,747)	-
Title IIA - Part A	84.367	S367A220029	100-034-5063-290	28,396	7/1/22-9/30/23	-	13,500	(19,090)	-	(5,590)	-
Title IIA - Part A	84.367	S367A210029	100-034-5063-290	27,841	7/1/21-9/30/22	(19,070)	19,070	-	-	-	-
Subtotal						(19,070)	32,570	(19,090)	-	(5,590)	-
Title IV - Part A	84.424	S42A220031	100-034-5063-348	14,157	7/1/22-9/30/23	-	-	(10,520)	-	(10,520)	-
Title IV - Part A	84.424	S42A210031	100-034-5063-348	17,844	7/1/21-9/30/22	(13,688)	13,688	-	-	(10,520)	-
Subtotal						(13,688)	13,688	-	-	-	-
Special Education Cluster:											
LD.E.A. Part B, Basic Regular	84.027	H027A220100	100-034-5065-016	303,409	7/1/22-9/30/23	-	158,163	(280,211)	-	(122,048)	-
LD.E.A. Part B, Basic Regular	84.027	H027A210100	100-034-5065-016	297,324	7/1/21-9/30/22	(73,943)	73,943	-	-	-	-
COVID-19 ARP LD.E.A. Basic	84.027X	H027X210100	100-034-5065-094	43,570	7/1/21-9/30/22	(23,534)	35,320	(18,500)	-	(6,714)	-
Total Special Education Cluster						(97,477)	267,426	(298,711)	-	(128,762)	-
Education Stabilization Fund:											
COVID-19 CARES Emergency Relief	84.425D	S425D200027	100-034-5120-513	104,032	3/13/20-9/30/22	(5,714)	58,335	(52,621)	-	-	-
COVID-19 CARES ESSER II	84.425D	S425D210027	100-034-5120-518	408,541	3/13/20-9/30/23	(172,315)	284,606	(236,031)	-	(123,740)	-
COVID-19 CARES ESSER III	84.425D	S425D210027	100-034-5120-518	26,218	3/13/20-9/30/23	(23,436)	23,436	(1,767)	-	-	-
COVID-19 CARES Mental Health	84.425D	S425D210027	100-034-5120-518	45,000	3/13/20-9/30/23	(22,069)	25,031	(22,931)	-	(19,969)	-
COVID-19 ARP ESSER III	84.425U	S425U210027	100-034-5120-523	918,170	3/13/20-9/30/24	(515,963)	544,816	(201,062)	-	(172,209)	-
COVID-19 ARP Accelerated Learning	84.425U	S425U210027	100-034-5120-523	78,700	3/13/20-9/30/24	(38,123)	-	(28,074)	-	(66,197)	-
COVID-19 ARP Summer Learning	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	-	5,319	(6,163)	-	(844)	-
COVID-19 ARP Beyond the School Day	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	(19,311)	19,311	(627)	-	-	-
COVID-19 ARP Mental Health	84.425U	S425U210027	100-034-5120-523	45,000	3/13/20-9/30/24	(7,885)	13,775	(6,169)	-	(279)	-
Total Education Stabilization Fund						(804,816)	974,629	(555,445)	-	(385,632)	-
Total US Department of Education						(1,122,856)	1,527,663	(1,007,058)	-	(602,251)	-
Total Special Revenue Fund						(1,122,856)	1,527,663	(1,007,058)	-	(602,251)	-
Total Expenditures of Federal Awards						\$ (1,183,959)	\$ 2,180,737	\$ (1,623,802)	\$ -	\$ (627,170)	\$ 146

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

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

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

Note 3. Relationship to Basic Financial Statements

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

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$42,053) for the general fund and \$274,193 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 36,677	\$ 14,624,730	\$ 14,661,407
Special Revenue Fund	1,326,528	108,923	1,435,451
Food Service Fund	580,067	18,225	598,292
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,943,272</u>	<u>\$ 14,751,878</u>	<u>\$ 16,695,150</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Gateway Regional School District had no loan balances outstanding at June 30, 2023.

Note 6. Cancellation of Receivable Balance

During the current fiscal year, the Gateway Regional School District cancelled ROD Grant receivables in the amount of \$423,036. The District had determined this balance to be no longer collectable. The District funded the deficit with local proceeds in the current fiscal year to close out the project.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified? yes X none reported

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>Education Stabilization Fund:</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>COVID 19 - CARES Emergency Relief</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>COVID 19 - C.R.S.S.A.</u>
		<u>COVID 19 - A.R.P.</u>
<u>84.027</u>	<u>H027A220100</u>	<u>Special Education Cluster:</u>
<u>84.027X</u>	<u>H027X220100</u>	<u>I.D.E.A. Part B, Basic Regular</u>
		<u>COVID 19 - I.D.E.A. Basic</u>

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? yes X no

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

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

Internal control over major programs:

1) Material weakness(es) identified? _____ yes X no

2) Significant deficiency(ies) identified? _____ yes X no

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 New Jersey OMB's Circular 15-08? _____ yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid - Public:
495-034-5120-084	Equalization Aid
495-034-5120-089	Categorical Security Aid
495-034-5120-068	Categorical Special Education Aid
	School Choice Aid

**GATEWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

Section III – Federal Awards & State Financial Assistance Findings & 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**GATEWAY REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding 2022-001

Condition – The school district has an accounts receivable balance of \$423,036 in the Capital Projects Fund that has been outstanding since June 30, 2017.

Current Status – The condition has been corrected.

Federal Awards – None

State Financial Assistance – None