

Annual Comprehensive Financial Report

of the

**Gloucester County
Special Services School District**

Deptford, New Jersey

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
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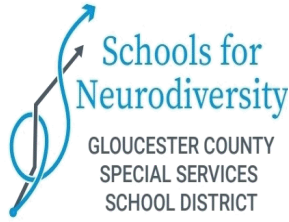
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INTRODUCTORY SECTION



Gloucester County Special Services School District
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Phone: 856 – 468 – 6530
James H. Dundee, Jr.
Superintendent
jdundee@gcecnj.org

February 7, 2024

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

Dear Board Members:

The annual comprehensive financial report of the Gloucester County Special Services School District (District), a component unit of the County of Gloucester, New Jersey, 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 (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section is presented in accordance with Governmental Accounting Standards Board Statement No. 34 and includes the Report of Independent Accountants, the Management and Discussion Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Treasury Circular 15-08-OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*" Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and questioned costs, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES

Gloucester County Special Services School District, a component unit of the County of Gloucester, New Jersey, is a reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds of the District are included in this report. The Gloucester County Special Services School District and all its programs/projects constitute the District's reporting entity. A list of services provided follows

A. Special Education Programs

Gloucester County Special Services School District offers a wide array of educational services to the families of Gloucester County. The District provides a full continuum of educational services to children with special needs from birth to age 21. Programs offered during the 2022-2023 school year are as follows:

1. Multiple Disabilities
 - Shady Lane Child Development Center – students ages 3 to 5
 - Bankbridge Development Center – students ages 3 to 21
 - Bankbridge Elementary School – students to grade 6
 - Bankbridge Regional School – students grades 6 to 12
 - Career Center at GCIT – students ages 18 to 21

2. Behavioral Disabilities
 - Bankbridge Elementary School – students to grade 6
 - Bankbridge Regional School – students grades 6 to 12

3. Auditory Disabilities
 - Shady Lane Child Development Center – students ages 3 to 5
 - Bankbridge Elementary School – students to grade 6
 - Bankbridge Regional School – students grades 6 to 12

4. Preschool Disabilities
 - Bankbridge Development Center – full time
 - Bankbridge Elementary School – full time
 - Shady Lane Child Development Center – full time

5. Extended School Year
 - Preschool Disabilities
 - Behavior Disabilities
 - Multiple Disabilities
 - Auditory Disabilities

B. Other Cooperative Programs and Services

The District also provides a wide range of quality cooperative educational programs and administrative services to public school districts and their boards of education. They include:

1. Special Revenue Programs
 - a. McKinney-Vento Education for Homeless Children and Youth
 - b. Migrant Education Program
 - c. American Rescue Plan Elementary & Secondary School Emergency Relief – Homeless Children & Youth (ARP-HCY) I and II
 - d. Gloucester County Special Services Education Foundation

2. Enterprise Programs
 - a. GCSSSD Center for Regional Educational Support Services (CRESS)
 1. Augmentative/Assistive Technology Consultation & Evaluation
 2. Autism Consultation/Support
 3. Behavior Consultation/Support/Functional Behavior Assessment
 4. Early Intervention
 5. Educational Consultant
 6. Educational Interpreter with Sign Language
 7. Homebound Instruction
 8. Occupational and Physical Therapy & Evaluation
 9. Occupational and Physical Therapy Assistant
 10. Community Workshops
 11. Sign Language Instruction
 12. Social Skills Training Groups
 13. Social Worker
 14. Speech-Language Therapy & Evaluation
 15. Teacher of the Deaf
 16. Therapeutic Recreation – County of Gloucester
 17. Educational Audiology Consultation

 - b. GCSSSD Nonpublic School Services
 1. Nonpublic School Health Services – Chapter 226
 2. Chapter 192
 - Compensatory Education
 - English as a Second Language Services
 - Home Instruction
 3. Chapter 193
 - Child Study Team Evaluations
 - Speech Language Services
 - Supplementary Instruction
 4. Additional Remedial Services – IDEA-B
 5. Auxiliary Child Study Team Evaluations
 6. Nonpublic Technology Initiative Program/Administration
 7. Nonpublic Textbook Program/Administration

 - c. Business
 1. Cooperative Transportation – Gloucester/Salem Counties
 2. Employee Assistance Program (EAP) – Administrative Support
 3. Food Service Program

- d. Special Projects
 - 1. Migrant Education & McKinney Homeless Donation Fund

- e. Other Projects
 - 1. One-on-one Teacher Assistants Program

<u>Special Education</u>		
Average Daily Enrollment		
Fiscal Year	Student Enrollment	Percent Change
2022-2023	554.3	5.24%
2021-2022	526.7	-3.89%
2020-2021	548.0	-4.43%
2019-2020	573.4	-5.09%
2018-2019	604.1	-4.72%
2017-2018	634.1	-8.50%
2016-2017	693.0	-1.66%
2015-2016	704.7	-3.11%
2014-2015	727.3	-0.42%
2013-2014	730.4	-1.04%

2) MAJOR INITIATIVES

A. Current Year Accomplishments

Recognized as a model school district, Gloucester County Special Services School District continues to provide educational opportunities and options to special needs students and their families in Gloucester County as it seeks to meet their needs through a variety of programs delivered in our schools and the local school districts.

Gloucester County Special Services School District provides a full continuum of educational options to Gloucester County's Special Needs students and their families. Gloucester County Special Services School District is a hub for students, professionals, and families, as it serves children from birth through 21 years in our schools and in the local school districts, while providing professional development opportunities and family support resources.

The Bankbridge Career Center continues to support students' transition needs by providing successful school-to-careers options, job coaches, and functional skills reinforcement.

Gloucester County Special Services School District maintains its commitment to provide the best possible opportunities for special need students in Gloucester County.

B. District Goals for 2022-2023

- Oversee the transition of reorganization of the Facilities Department due to retirements and the reduction of Facilities Manager(s) from three to one.
- Participate in Project Search in partnership with the Gloucester County Workforce Development Board and Commissioners to expand programming for eligible seniors.
- Support the partnership between the Center for Regional Educational Support Services (CRESS) and the Rowan University School of Medicine on the campus of Rowan College of South Jersey
- Participate in the Gloucester County Commissioners’ County Education System Study designed to enhance the overall design of programmatic delivery and services throughout the county’s four educational components as outlined in their executive summary.
- Continue to build capacity with programming and support for all members of the school community through activities and programs that enhance the districts’ focus on diversity, equity, and inclusion.
- Review current labor trends and contract settlements in preparation to begin contract negotiations with the Gloucester County Special Services Education Association

C. District Affiliations

Rowan College of South Jersey
Gloucester County Vocational-Technical School District
Abilities Center of Southern New Jersey
County Hospitals: Kennedy/Inspira
County Prosecutor/Sheriff
County and Statewide Educational Roundtables
Rowan University
Rowan Integrated Special Needs at Bankbridge Development Center
Gloucester County Special Services Education Foundation

3) INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is 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, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

4) BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimate. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects funds. 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 assignments of fund balance on June 30, 2023.

5) ACCOUNTING SYSTEM AND REPORTS

The District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds.

6) CASH MANAGEMENT

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

7) RISK MANAGEMENT

The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds, worker’s compensation, disability, and student insurance. During 2022-2023 insurance coverage of the Gloucester County Special Services School District was carried via the New Jersey School Insurance Group, administered by Hardenbergh Insurance Group.

8) OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman & Company LLP was selected by the Gloucester County Special Services Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Treasury Circular 15-08-OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*” The auditor’s report on the basic financial statements 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.

9) ACKNOWLEDGMENTS

We would like to express our appreciation to the members of The Board of Education of the Special Services School District of the County of Gloucester and to the Gloucester County Board of Commissioners 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 business office staff.

Respectfully submitted,

James H. Dundee
Superintendent

Christopher Retzbach
Business Administrator/Board Secretary

**THE BOARD OF EDUCATION OF THE SPECIAL SERVICES SCHOOL DISTRICT
OF THE COUNTY OF GLOUCESTER**

****Michael C. Dicken
SUPERINTENDENT/SS**

[7/20/2022]

****Amy Capriotti
Asst. Supt. for Business/Bd. Sec./SS**

****Brian Shakespeare, Asst. Supt.
of Curriculum & Assessment/SS**

****Allie Jones, Director
Human Resources/SS**

****Lisa Finnegan, Director
Accounting/SS**

****Alyssa Valori, Director
Co. Svcs./Coop. Transp./SS**

**Glenn Cook,
Facilities Manager/SS**

**Robert Gassler
Facilities Manager/SS**

**Sybil Girard
Principal/BBE/SS**

**Heather Worthington
Asst. Principal/BBE/SS**

**Thomas Lombardo
Principal/BDC/SS**

**Margaret Daly, Asst. Prin.
BDC/SS**

**Ron Rutter, Principal
Secondary/BBR/SS**

**Christian Sedgwick
Asst. Principal/BBR/SS**

****Joanna Murphy, Ph.D.
DEI Officer/VT**

****Gina Mateka, Ed.D.
Chief Academic Officer/VT**

****TBD, Director
Student Assessment/SS**

**Karen D'Orazio, Director
Nonpublic Prog./SS**

**Jaime Gaetano
Supervisor
Child Study Team/SS**

**Billie Thomas, Director
Special Projects/SS**

****Steven Fisher, Director
Campus Technol./SS**

****Susan Heiken, Ed.D.
Dir./Clinical Svcs./SS**

**Ralph Ross, Director
Secondary Education**

**Kathleen Monti, Director
Ed. Support Svcs./SS**

**Dana Lamonica,
Supervisor/CRESS/SS**

**Kim Glazer, Supv. Pupil
Pers. Serv./Guidance/SS**

**ADMINISTRATIVE
ORGANIZATION CHART**

GCSSSD ADMINISTRATORS: SS
GCVTSD ADMINISTRATORS: VT
**Shared employment

**BOARD OF EDUCATION
GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SEWELL, NEW JERSEY**

ROSTER OF OFFICIALS

JUNE 30, 2023

Members of the Board of Education

**Term
Expires**

Leona Mather, President	7/20/2025
Sandy Evans, Vice President	7/20/2025
Denise R. Campo	7/20/2025
Suzanne Merinuk	7/20/2025
Dennis P. McNulty	7/20/2026
Suzanne Merinuk	7/20/2025
Ave' Altersitz, Interim Executive County Superintendent	

Other Officials

Susan Heiken, Interim Superintendent
Amy Capriotti, Assistant Superintendent for Business/Board Secretary

**BOARD OF EDUCATION
GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

CONSULTANTS AND ADVISORS

JUNE 30, 2023

Audit Firm

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Woodbury, New Jersey 08096

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Construction Attorney

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Official Depositories

Republic Bank
1750 Deptford Center Rd.
Deptford, NJ 08096

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Gloucester County Special Services School District, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Gloucester County Special Services School District, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

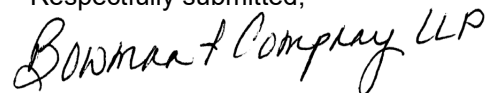
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover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

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

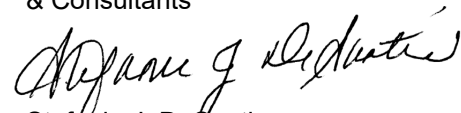
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2024 on our consideration of the Gloucester County Special Services School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Gloucester County Special Services 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 Gloucester County Special Services School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Public School Accountant No. CS 002523

Woodbury, New Jersey
February 7, 2024

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

**GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

The discussion and analysis of the Gloucester County Special Services School District’s (“School District”) annual financial performance provides an overall review of the School District’s financial activities for the fiscal year that ended on June 30, 2023. The intent of this discussion and analysis is to review the School District’s financial performance as a whole; readers are advised to read it in conjunction with the basic financial statements and the notes to the financial statements to enhance their understanding of the School District’s performance.

The Management’s Discussion and Analysis (MD&A) section of the Annual Comprehensive Financial Report (“ACFR”) is an element of Required Supplementary Information specified in the Governmental Accounting Standard’s Board’s (GASB) Statement Number 34 – Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments that was issued in June 1999. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year are as follows:

- The total assets and deferred outflows of resources of the School District exceeded total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$31,015,875.59 (net position).
- The School District’s net position increased by \$8,444,192.19, as a result of this year’s operations. Net position of the governmental activities increased \$1,712,227.59 and net position for the business-type activities increased by \$6,731,964.60.
- The increase in net position of governmental activities can be attributed to a decrease in net pension expense (benefit) in accordance with GASB 68 for fiscal year 2022-23.
- The change in the net position of business-type activities can be attributed primarily to increased program fees generated in addition to a decrease in net pension expense (benefit) for 2022-23.
- During the year, the School District generated \$43,816,250.26 in governmental activities revenues, which is a decrease of \$2,074,888.20 compared with the School District’s 2021-2022 revenues. The 2022-2023 governmental activities revenues were made up of the county appropriation, tuition, federal and state grants, and other revenues. Revenues exceeded expenditures by \$1,712,227.59.
- In the School District’s business-type activities, operating revenues increased by \$11,464,278.14, approximately 35.22%, while expenses increased by \$9,976,357.80, which is approximately 36.54% both increases can be attributed to expansion of the Cooperative Transportation Project.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. These statements are organized so the reader can first understand the School District as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the School District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on the School District’s most significant funds, reporting on the School District’s operations in *more detail* than the government-wide financial statements.
 - The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term, as well as what remains for future spending.
 - *Proprietary funds statements* offer short- and long-term financial information about the activities the School District operates like a business.

**GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) (CONT'D)

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year.

Reporting the School District as a Whole

The Statement of Net Position includes all the School District's assets, deferred outflows of resources, liabilities and deferred inflows of resources and uses the accrual basis of accounting similar to the accounting used by most private-sector businesses. All the current year's revenue and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. These statements report the School District's *net position* and how it has changed. Net position is the difference between the School District's assets and liabilities and represent one way to measure the School District's financial health or *position*.

- Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the School District's overall health, additional non-financial factors such as changes in the School District's property tax base, current laws and policies affecting school districts in New Jersey, educational programs offered, the condition of school buildings and other facilities, and other factors must be considered.

In the government-wide financial statements, the School District's activities are divided into two categories:

- *Governmental activities*: Most of the School District's basic services are included here, such as alternative, special education, and shared services. Tuition and, to a lesser degree, the County appropriation, finance most of these activities.
- *Business-type activities*: The School District charges fees to help it cover the costs of certain services it provides. The School District's enterprise funds are included here.

Reporting the School District's Most Significant Funds

The *fund financial statements* focus on the School District's most significant funds, reporting on the School District's operations in *more detail* than the government-wide financial statements. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds:

- *Governmental funds*: Most of the School District's basic services are included in governmental funds, which generally focus on how cash and other financial assets that can be converted to cash flow in and out, and the balances left at year-end that are available for future spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that are available for spending in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information provided at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the School District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The School District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities.

**GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net Position

The School District's overall financial position and operations for the past two years are summarized as follows based on the information included in the government-wide financial statements.

The School District's net position at fiscal year-end June 30, 2023 is \$31,015,875.59. This is a \$8,444,192.19 increase from last year's net position of \$22,571,683.40. The following table provides a summary of the School District's net position:

Summary of Net Position

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 23,286,273.86	\$ 17,626,762.39	\$ 5,659,511.47	32.11%
Capital Assets	<u>34,728,509.60</u>	<u>35,808,441.87</u>	<u>(1,079,932.27)</u>	<u>-3.02%</u>
Total Assets	<u>58,014,783.46</u>	<u>53,435,204.26</u>	<u>4,579,579.20</u>	<u>8.57%</u>
Deferred Outflow of Resources - Related to Pensions	<u>2,558,593.52</u>	<u>1,957,490.01</u>	<u>601,103.51</u>	<u>30.71%</u>
Long-Term Liabilities	20,645,169.03	17,419,803.36	3,225,365.67	18.52%
Other Liabilities	<u>3,214,123.89</u>	<u>2,265,554.51</u>	<u>948,569.38</u>	<u>41.87%</u>
Total Liabilities	<u>23,859,292.92</u>	<u>19,685,357.87</u>	<u>4,173,935.05</u>	<u>21.20%</u>
Deferred Inflow of Resources - Related to Pensions	<u>5,698,208.47</u>	<u>13,135,653.00</u>	<u>(7,437,444.53)</u>	<u>-56.62%</u>
Net Position:				
Net Investment in Capital Assets	34,361,807.79	35,045,233.08	(683,425.29)	-1.95%
Restricted	737,486.98	728,245.56	9,241.42	1.27%
Unrestricted (Deficit)	<u>(4,083,419.18)</u>	<u>(13,201,795.24)</u>	<u>9,118,376.06</u>	<u>-69.07%</u>
Total Net Position	<u>\$ 31,015,875.59</u>	<u>\$ 22,571,683.40</u>	<u>\$ 8,444,192.19</u>	<u>37.41%</u>

The following table provides an illustration of the impact on the School District's Net Position as a result of GASB 68.

Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 2,558,593.52	\$ 1,957,490.01	\$ 601,103.51	30.71%
Less: Net Pension Liability	(19,500,212.00)	(15,636,181.00)	(3,864,031.00)	24.71%
Less: Deferred Inflows Related to Pensions	<u>(5,698,208.47)</u>	<u>(13,135,653.00)</u>	<u>7,437,444.53</u>	<u>-56.62%</u>
	<u>\$ (22,639,826.95)</u>	<u>\$ (26,814,343.99)</u>	<u>\$ 4,174,517.04</u>	<u>-15.57%</u>

The School District reported a positive net position of \$23,031,178.65 for governmental activities and a positive net position of \$7,984,696.94 in the business-type activities. Net position increased by \$1,712,227.59 for governmental activities and increased by \$6,731,964.60 for business-type activities.

The variances in the net position of governmental activities and business-type activities are primarily the result of the adjustment of pension expense (benefit) in accordance with GASB 68 and additional program revenues in the business-type activities funds.

**GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

Changes in Net position

The following table provides a summary of the School District's changes in net position:

Summary of Changes in Net Position

Revenues:	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 45,781,454.34	\$ 34,207,828.90	\$ 11,573,625.44	33.83%
Federal & State Categorical Grants	11,961,039.28	15,321,757.01	(3,360,717.73)	-21.93%
General Revenues:				
County Appropriation	2,419,112.34	3,452,950.23	(1,033,837.89)	-29.94%
Federal & State Grants	330,179.00	182,670.71	147,508.29	80.75%
Tuition & Fees	26,588,060.00	25,004,005.00	1,584,055.00	6.34%
Other	615,835.46	257,789.73	358,045.73	138.89%
Total Revenues	<u>87,695,680.42</u>	<u>78,427,001.58</u>	<u>9,268,678.84</u>	<u>11.82%</u>
Expenses:				
Instruction:				
Special Education	11,877,936.30	11,500,892.07	377,044.23	3.28%
Other Special Instruction	82,764.00	74,592.00	8,172.00	10.96%
Student Services:				
Student and Instruction Related	7,888,032.99	7,015,779.44	872,253.55	12.43%
General Administrative Services	329,254.54	345,796.18	(16,541.64)	-4.78%
School Administrative Services	1,423,568.36	1,300,580.05	122,988.31	9.46%
Central Services	2,621,412.65	2,394,773.90	226,638.75	9.46%
Plant Operations and Maintenance	3,060,861.99	3,046,473.46	14,388.53	0.47%
Pupil Transportation	59,295.12	50,334.68	8,960.44	17.80%
Unallocated Benefits	14,236,281.87	18,050,210.19	(3,813,928.32)	-21.13%
Interest on Long-Term Debt	21,737.26	15,384.48	6,352.78	41.29%
Unallocated Depreciation and Amortization	370,217.06	491,007.70	(120,790.64)	-24.60%
Food Service	583,772.93	506,635.57	77,137.36	15.23%
Other Enterprise Funds	36,696,353.16	26,797,132.72	9,899,220.44	36.94%
Total Expenses	<u>79,251,488.23</u>	<u>71,589,592.44</u>	<u>7,661,895.79</u>	<u>10.70%</u>
Increase (Decrease) in Net Position	<u>8,444,192.19</u>	<u>6,837,409.14</u>	<u>1,606,783.05</u>	<u>23.50%</u>
Beginning Net Position	<u>22,571,683.40</u>	<u>15,734,274.26</u>	<u>6,837,409.14</u>	<u>43.46%</u>
Ending Net Position	<u>\$ 31,015,875.59</u>	<u>\$ 22,571,683.40</u>	<u>\$ 8,444,192.19</u>	<u>37.41%</u>

THE SCHOOL DISTRICT'S FUNDS

Governmental funds reported ending fund balances of \$7,545,213.31. Of this year-end total, \$2,782,047.34 is unassigned and \$4,025,678.99 is assigned, with \$97,995.99 of the assigned fund balance committed to liquidate encumbrances and \$3,927,683.00 designated for subsequent year's expenditures. Restricted fund balances total \$737,486.98, with \$128,650.96 available in the capital reserve account, \$414,310.98 available in the maintenance reserve account, \$117,399.37 available in the donations account, \$2,570.52 available in the scholarships account, and \$74,555.15 available in the student activities account.

**GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

GENERAL FUND BUDGETARY HIGHLIGHTS

The revenue for the General Fund was more than anticipated in the budget due to an increase in student enrollment. Reimbursements for pension and Social Security contributions of \$7,546,416.87 are non-budgeted items in both revenues and appropriations.

CAPITAL ASSETS

The School District's investment in capital assets, net of accumulated depreciation and amortization, for the governmental and business-type activities as of June 30, 2023, was \$34,581,431.57 and \$147,078.03, respectively. See Note 6 for additional information about changes in capital assets during the fiscal year.

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Capital Assets		
Capital Assets (Net of Depreciation and Amortization):		
Governmental Activities:		
Land	\$ 230,052.00	\$ 230,052.00
Construction in Progress	9,881,400.44	9,837,288.10
Building and Improvements	22,774,475.25	23,468,343.21
Land Improvements	81,314.51	85,049.15
Equipment	1,254,490.98	1,238,194.67
Lease Assets - Equipment	359,698.39	725,105.59
	<u>\$ 34,581,431.57</u>	<u>\$ 35,584,032.72</u>
Business-type Activities:		
Building and Improvements	\$ 19,255.07	\$ 19,682.99
Equipment	127,822.96	167,437.02
Lease Assets - Equipment	-	37,289.14
	<u>\$ 147,078.03</u>	<u>\$ 224,409.15</u>

ECONOMIC CONDITION AND OUTLOOK

The Gloucester County Special Services School District is currently in sound financial condition. Area sending districts continue to experience significant fiscal challenges, which threaten to reduce the number of Gloucester County students enrolled in the Bankbridge Schools. In response to this possibility, an articulation agreement was signed by the Board of Commissioners of both Gloucester and Camden Counties along with the Board of Education of the Special Services School District of the County of Gloucester which will serve to encourage open enrollment from both counties in the Bankbridge Schools. The Board and administration continue to carry out the School District's mission by providing programs and services that meet both the existing and emergent needs of students having moderate to severe disabilities.

Gloucester County Special Services School District provides a full continuum of educational options to special needs students and their families. Gloucester County Special Services School District is a hub for students, professionals, and families, as it serves children from birth through 21 years in our schools and in the local school districts, while providing professional development opportunities and family support resources.

The Bankbridge Career Center continues to support students' transition needs by providing successful school-to-careers options, job coaches, and functional skills reinforcement.

**GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

ECONOMIC CONDITION AND OUTLOOK (CONT'D)

With the support and direction of the Board of Commissioners and the Board of Education, our School District continues to move forward. Viewed as a model School District, Gloucester County Special Services School District provides educational opportunities to special needs students in this region through a wide range of programs and services. This School District is committed to providing a full continuum of education services to meet the needs of students and local school districts in this area.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens and taxpayers and our customers with a general overview of the School District's finances and to demonstrate the School District's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional financial information, contact the School District Office, 1340 Tanyard Road, Sewell, NJ 08080.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 7,078,829.93	\$ 5,146,862.35	\$ 12,225,692.28
Receivables	896,801.46	9,411,282.18	10,308,083.64
Inventory		14,911.96	14,911.96
Restricted Assets:			
Restricted Cash and Cash Equivalents:			
Cash and Cash Equivalents	194,624.04		194,624.04
Capital Reserve Account	128,650.96		128,650.96
Maintenance Reserve Account	414,310.98		414,310.98
Capital Assets, net (Note 6)	<u>34,581,431.57</u>	<u>147,078.03</u>	<u>34,728,509.60</u>
Total Assets	<u>43,294,648.94</u>	<u>14,720,134.52</u>	<u>58,014,783.46</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	<u>1,896,180.44</u>	<u>662,413.08</u>	<u>2,558,593.52</u>
LIABILITIES:			
Accounts Payable	313,213.02	83,695.09	396,908.11
Accounts Payable - Related to Pensions	1,150,069.52	400,881.74	1,550,951.26
Accrued Salary and Benefits	697,206.48	411,473.48	1,108,679.96
Payable to Other Governments	38,930.34		38,930.34
Payroll Deductions Payable and Withholdings Payable	118,654.22		118,654.22
Noncurrent Liabilities:			
Due within One Year	273,575.28		273,575.28
Due beyond One Year	<u>15,332,030.97</u>	<u>5,039,562.78</u>	<u>20,371,593.75</u>
Total Liabilities	<u>17,923,679.83</u>	<u>5,935,613.09</u>	<u>23,859,292.92</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	<u>4,235,970.90</u>	<u>1,462,237.57</u>	<u>5,698,208.47</u>
NET POSITION:			
Net Investment in Capital Assets	34,214,729.76	147,078.03	34,361,807.79
Restricted for:			
Capital Projects	128,650.96		128,650.96
Donations	117,399.37		117,399.37
Scholarships	2,570.52		2,570.52
Student Activities	74,555.15		74,555.15
Other Purposes	414,310.98		414,310.98
Unrestricted (Deficit)	<u>(11,921,038.09)</u>	<u>7,837,618.91</u>	<u>(4,083,419.18)</u>
Total Net Position (Deficit)	<u>\$ 23,031,178.65</u>	<u>\$ 7,984,696.94</u>	<u>\$ 31,015,875.59</u>

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

GLOUCESTER COUNTY SPECIAL SERVICES 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		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:						
Instruction:						
Special Education	\$ 11,877,936.30		\$ 485,263.25	\$ (11,392,673.05)		\$ (11,392,673.05)
Other Special Instruction	82,764.00			(82,764.00)		(82,764.00)
Support Services:						
Student and Instruction Related Services	7,888,032.99	\$ 68,314.31	3,265,390.36	(4,554,328.32)		(4,554,328.32)
General Administration	329,255.36			(329,255.36)		(329,255.36)
School Administration	1,423,568.36			(1,423,568.36)		(1,423,568.36)
Central Services	2,621,412.65	2,095,413.14		(525,999.51)		(525,999.51)
Plant Operations and Maintenance	3,060,861.99			(3,060,861.99)		(3,060,861.99)
Pupil Transportation	59,295.12			(59,295.12)		(59,295.12)
Unallocated Benefits	14,236,281.05		7,816,021.87	(6,420,259.18)		(6,420,259.18)
Interest on Long-Term Debt	21,737.26			(21,737.26)		(21,737.26)
Unallocated Depreciation and Amortization	370,217.06			(370,217.06)		(370,217.06)
Total Governmental Activities	41,971,362.14	2,163,727.45	11,566,675.48	(28,240,959.21)	-	(28,240,959.21)
Business-Type Activities:						
Food Service	583,772.93	178,082.32	394,363.80		\$ (11,326.81)	(11,326.81)
Enterprise Other	36,696,353.16	43,439,644.57			6,743,291.41	6,743,291.41
Total Business-Type Activities	37,280,126.09	43,617,726.89	394,363.80	-	6,731,964.60	6,731,964.60
Total Government	\$ 79,251,488.23	\$ 45,781,454.34	\$ 11,961,039.28	(28,240,959.21)	6,731,964.60	(21,508,994.61)
General Revenues and Special Item:						
County Appropriation				2,419,112.34		2,419,112.34
Tuition - LEA's				25,690,140.00		25,690,140.00
Nonresident Fees				897,920.00		897,920.00
Miscellaneous Income				748,495.99		748,495.99
Federal and State Aid Not Restricted				317,376.00		317,376.00
Federal, State, and Local Aid Restricted				12,803.00		12,803.00
Special Items:						
Loss on Disposal of Capital Assets				(38.34)		(38.34)
Refund of Prior Period Tuition/Revenue				(132,622.19)		(132,622.19)
Total General Revenues and Special Items				29,953,186.80	-	29,953,186.80
Change in Net Position				1,712,227.59	6,731,964.60	8,444,192.19
Net Position -- July 1				21,318,951.06	1,252,732.34	22,571,683.40
Net Position -- June 30				\$ 23,031,178.65	\$ 7,984,696.94	\$ 31,015,875.59

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

FUND FINANCIAL STATEMENTS

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS:				
Cash and Cash Equivalents	\$ 7,078,829.93	\$ 194,624.04		\$ 7,273,453.97
Accounts Receivable:				
State	93,627.73			93,627.73
Federal		310,985.02		310,985.02
Other	23,254.84	300,675.87		323,930.71
Tuition	168,258.00			168,258.00
Interfunds Receivable:				
Special Revenue Fund	335,239.04			335,239.04
Restricted Cash and Cash Equivalents:				
Cash - Capital Reserve Account	128,650.96			128,650.96
Cash - Maintenance Reserve Account	414,310.98			414,310.98
Total Assets	<u>\$ 8,242,171.48</u>	<u>\$ 806,284.93</u>	<u>\$ -</u>	<u>\$ 9,048,456.41</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 94,717.41	\$ 218,495.61		\$ 313,213.02
Accrued Salary and Benefits	639,181.24	58,025.24		697,206.48
Interfunds Payable:				
General Fund		335,239.04		335,239.04
Payable to Local School District	38,930.34			38,930.34
Payroll Deductions Payable and Withholdings Payable	118,654.22			118,654.22
Total Liabilities	<u>891,483.21</u>	<u>611,759.89</u>	<u>-</u>	<u>1,503,243.10</u>
Fund Balances:				
Restricted:				
Capital Reserve Account	128,650.96			128,650.96
Maintenance Reserve Account	414,310.98			414,310.98
Donations		117,399.37		117,399.37
Scholarships		2,570.52		2,570.52
Student Activities		74,555.15		74,555.15
Assigned:				
Other Purpose	97,995.99			97,995.99
Subsequent Year's Expenditures	3,927,683.00			3,927,683.00
Unassigned:				
General Fund	2,782,047.34			2,782,047.34
Total Fund Balances	<u>7,350,688.27</u>	<u>194,525.04</u>	<u>-</u>	<u>7,545,213.31</u>
Total Liabilities and Fund Balances	<u>\$ 8,242,171.48</u>	<u>\$ 806,284.93</u>	<u>\$ -</u>	

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2023

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 \$52,123,271.10 and the accumulated depreciation and amortization is \$17,541,839.53.	\$ 34,581,431.57
Long-term liabilities, including compensated absences and leases, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(15,605,606.25)
Net Pension Liability	
Accounts Payable related to the April 1, 2024 Required PERS pension contribution that is not to be liquidated with current financial resources.	(1,150,069.52)
Deferred Outflows of Resources - Related to Pensions	1,896,180.44
Deferred Inflows of Resources - Related to Pensions	<u>(4,235,970.90)</u>
Net Position of Governmental Activities	<u><u>\$ 23,031,178.65</u></u>

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
County Appropriation	\$ 2,375,000.00		\$ 44,112.34	\$ 2,419,112.34
Tuition - LEAs	25,690,140.00			25,690,140.00
Nonresident Fees	897,920.00			897,920.00
Interest Earned on Capital Reserve Funds	1,315.13			1,315.13
Interest Earned on Maintenance Reserve Funds	4,235.27			4,235.27
Miscellaneous	742,945.59	\$ 1,388,680.94		2,131,626.53
State Sources	7,546,416.87	320,841.00		7,867,257.87
Federal Sources	317,376.00	2,122,248.98		2,439,624.98
Total Revenues	37,575,348.86	3,831,770.92	44,112.34	41,451,232.12
EXPENDITURES:				
Current:				
Special Education Instruction	11,478,235.00	485,263.25		11,963,498.25
Other Special Instruction	82,764.00			82,764.00
Support Services and Undistributed Costs:				
Student and Instruction Related Services	4,581,209.00	3,330,013.65		7,911,222.65
General Administration	285,107.82			285,107.82
School Administration	1,434,462.00			1,434,462.00
Central Services	531,038.00			531,038.00
Plant Operations and Maintenance	2,525,693.00			2,525,693.00
Pupil Transportation	43,230.00			43,230.00
Unallocated Benefits	7,484,815.00			7,484,815.00
On-Behalf Pension Contributions	6,550,578.00			6,550,578.00
Reimbursed TPAF Social Security Contributions	995,838.87			995,838.87
Capital Outlay	162,403.18	12,803.00	44,112.34	219,318.52
Total Expenditures	36,155,373.87	3,828,079.90	44,112.34	40,027,566.11
Excess of Revenues over Expenditures	1,419,974.99	3,691.02	-	1,423,666.01
OTHER FINANCING SOURCES (USES):				
Tuition Adjustment Refunds	(132,622.19)			(132,622.19)
Total Other Financing Sources and Uses	(132,622.19)	-	-	(132,622.19)
Net Change in Fund Balances	1,287,352.80	3,691.02	-	1,291,043.82
Fund Balance -- July 1	6,063,335.47	190,834.02	-	6,254,169.49
Fund Balance -- June 30	\$ 7,350,688.27	\$ 194,525.04	\$ -	\$ 7,545,213.31

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2023

Total Net Change in Fund Balances - Governmental Funds		\$ 1,291,043.82
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>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 or amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization in the period.</p>		
Depreciation and Amortization Expense	\$ (1,221,881.33)	
Capital Outlays	<u>219,318.52</u>	(1,002,562.81)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., adjustments and disposals) is to decrease net position.</p>		
		(38.34)
<p>The issuance of long-term debt (e.g., bonds, financed purchases and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		380,966.36
<p>In the statement of activities, certain operating expenses, (e.g., pensions, compensated absences and interest on debt and leases), are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of these differences in the treatment of these items.</p>		
		189,928.74
<p>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.</p>		
		<u>852,889.82</u>
Change in Net Position of Governmental Activities		<u><u>\$ 1,712,227.59</u></u>

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Proprietary Funds
Combined Statement of Net Position
June 30, 2023

	Business - Type Activities - Enterprise Funds			Governmental Activities -
	Food Service	Other Enterprise Funds	Total	Internal Service Fund
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 115,816.37	\$ 5,031,045.98	\$ 5,146,862.35	\$ 11,106.00
Intergovernmental Accounts Receivable:				
State	1,073.64		1,073.64	
Federal	19,857.74		19,857.74	
Other		9,390,350.80	9,390,350.80	
Inventories	14,911.96		14,911.96	
Total Current Assets	<u>151,659.71</u>	<u>14,421,396.78</u>	<u>14,573,056.49</u>	<u>11,106.00</u>
Noncurrent Assets:				
Capital Assets	114,639.55	1,195,985.75	1,310,625.30	
Less Accumulated Depreciation and Amortization	(79,743.79)	(1,083,803.48)	(1,163,547.27)	
Total Noncurrent Assets	<u>34,895.76</u>	<u>112,182.27</u>	<u>147,078.03</u>	<u>-</u>
Total Assets	<u>186,555.47</u>	<u>14,533,579.05</u>	<u>14,720,134.52</u>	<u>11,106.00</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Related to Pensions (Note 8)		662,413.08	662,413.08	
LIABILITIES:				
Current Liabilities:				
Accounts Payable		83,695.09	83,695.09	
Accounts Payable - Related to Pensions		400,881.74	400,881.74	
Accrued Salary and Benefits		411,473.48	411,473.48	11,106.00
Total Current Liabilities	<u>-</u>	<u>896,050.31</u>	<u>896,050.31</u>	<u>11,106.00</u>
Noncurrent Liabilities:				
Due beyond One Year		5,039,562.78	5,039,562.78	
Total Noncurrent Liabilities	<u>-</u>	<u>5,039,562.78</u>	<u>5,039,562.78</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>5,935,613.09</u>	<u>5,935,613.09</u>	<u>11,106.00</u>
DEFERRED INFLOWS OF RESOURCES:				
Related to Pensions (Note 8)		1,462,237.57	1,462,237.57	
NET POSITION:				
Net Investment in Capital Assets	34,895.76	112,182.27	147,078.03	
Unrestricted	151,659.71	7,685,959.20	7,837,618.91	
Total Net Position	<u>\$ 186,555.47</u>	<u>\$ 7,798,141.47</u>	<u>\$ 7,984,696.94</u>	<u>\$ -</u>

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Proprietary Funds
 Combined Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2023

	Business - Type Activities - Enterprise Funds			Governmental Activities -
	<u>Food Service</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Fund</u>
OPERATING REVENUES:				
Local Sources				
Daily Sales - Reimbursable Programs	\$ 147,323.50		\$ 147,323.50	
Fees for Services	30,758.82	\$ 43,439,644.57	43,470,403.39	\$ 2,095,413.14
Total Operating Revenues	<u>178,082.32</u>	<u>43,439,644.57</u>	<u>43,617,726.89</u>	<u>2,095,413.14</u>
OPERATING EXPENSES:				
Cost of Goods Sold - Reimbursable Programs	155,719.38		155,719.38	
Cost of Goods Sold - Non-Reimbursable Programs	73,941.21		73,941.21	
Salaries		13,598,649.98	13,598,649.98	2,095,413.14
Employee Benefits		4,226,144.79	4,226,144.79	
Purchased Professional/Educational Services		610,987.54	610,987.54	
Purchased Professional/Professional Services		26,276.50	26,276.50	
Purchased Professional/Technical Services	2,658.50	357,555.08	360,213.58	
Purchased Professional/Shared Services		50,000.00	50,000.00	
Other Purchased Services	283,399.67	20,803,871.40	21,087,271.07	
Contracted Services	30,780.00		30,780.00	
Commercial Liability		1,396.26	1,396.26	
Utilities		14,241.04	14,241.04	
Travel		24,180.79	24,180.79	
Supplies and Materials	174.10	205,007.28	205,181.38	
Textbooks		106,812.21	106,812.21	
Miscellaneous Expenditures		1,228.01	1,228.01	
Rentals	385.85	25,791.68	26,177.53	
Other Objects	28,883.60	5,214.48	34,098.08	
Pension Expense (Benefit)		(3,430,622.32)	(3,430,622.32)	
Depreciation and Amortization	7,830.62	69,500.10	77,330.72	
Total Operating Expenses	<u>583,772.93</u>	<u>36,696,234.82</u>	<u>37,280,007.75</u>	<u>2,095,413.14</u>
Operating Income (Loss)	<u>(405,690.61)</u>	<u>6,743,409.75</u>	<u>6,337,719.14</u>	<u>-</u>

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Proprietary Funds
Combined Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	Business - Type Activities - Enterprise Funds			Governmental Activities -
	<u>Food Service</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Fund</u>
NONOPERATING REVENUES (EXPENSES):				
State Source:				
State School Lunch Program	\$ 6,909.45		\$ 6,909.45	
State School Breakfast Program	8,509.50		8,509.50	
Federal Source:				
National School Lunch Program	184,685.03		184,685.03	
National School Breakfast Program	102,327.59		102,327.59	
COVID Lunch Breakfast EMOP	38,002.46		38,002.46	
Food Distribution Program	53,929.77		53,929.77	
Interest on Long-Term Debt		\$ (118.34)	(118.34)	
Total Nonoperating Revenues (Expenses)	<u>394,363.80</u>	<u>(118.34)</u>	<u>394,245.46</u>	<u>-</u>
Change in Net Position	(11,326.81)	6,743,291.41	6,731,964.60	-
Net Position -- July 1	<u>197,882.28</u>	<u>1,054,850.06</u>	<u>1,252,732.34</u>	
Net Position -- June 30	<u>\$ 186,555.47</u>	<u>\$ 7,798,141.47</u>	<u>\$ 7,984,696.94</u>	<u>\$ -</u>

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Proprietary Funds
Combined Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	Business - Type Activities - Enterprise Funds			Governmental Activities -
	Food Service	Other Enterprise Funds	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 178,082.32	\$ 40,028,336.51	\$ 40,206,418.83	\$ 2,095,413.14
Payments to Employees		(13,187,176.50)	(13,187,176.50)	(2,095,413.14)
Payments for Employee Benefits		(4,226,144.79)	(4,226,144.79)	
Payments to Suppliers	(524,714.15)	(22,251,612.74)	(22,776,326.89)	
Net Cash Used for Operating Activities	(346,631.83)	363,402.48	16,770.65	-
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Cash Received from State & Federal Reimbursements	350,680.51		350,680.51	
Net Cash Provided by Non-Capital Financing Activities	350,680.51	-	350,680.51	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Lease Liability Payments		(37,277.88)	(37,277.88)	
Interest on Lease Liability		(118.34)	(118.34)	
Net Cash (used for) Capital and Related Financing Activities	-	(37,396.22)	(37,396.22)	-
Net Increase in Cash and Cash Equivalents	4,048.68	326,006.26	330,054.94	-
Cash and Cash Equivalents -- July 1	111,767.69	4,705,039.72	4,816,807.41	
Cash and Cash Equivalents -- June 30	<u>\$ 115,816.37</u>	<u>\$ 5,031,045.98</u>	<u>\$ 5,146,862.35</u>	<u>\$ -</u>
Analysis of Cash Balance at June 30				
Cash and Equivalents	\$ 115,816.37	\$ 8,225,333.54	\$ 8,341,149.91	
Cash Deficit		(3,194,287.56)	(3,194,287.56)	
	<u>\$ 115,816.37</u>	<u>\$ 5,031,045.98</u>	<u>\$ 5,146,862.35</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Operating Income (Loss)	\$ (405,690.61)	\$ 6,743,409.75	\$ 6,337,719.14	
Adjustments to Reconcile Operating Income (Loss) to Cash provided/(Used) by Operating Activities:				
Depreciation and Amortization	7,830.62	69,500.10	77,330.72	
GASB 68 Pension Adjustments		(3,430,622.32)	(3,430,622.32)	
Food Distribution Program	53,929.77		53,929.77	
Change in Assets & Liabilities:				
(Increase) Decrease in Other Accounts Receivable		(3,411,308.06)	(3,411,308.06)	
(Increase) Decrease in Inventory	(2,701.61)		(2,701.61)	
Increase (Decrease) in Accounts Payable		(19,050.47)	(19,050.47)	
Increase (Decrease) in Accrued Salaries and Benefits		411,473.48	411,473.48	
Net Cash Provided by (used for) Operating Activities	<u>\$ (346,631.83)</u>	<u>\$ 363,402.48</u>	<u>\$ 16,770.65</u>	<u>\$ -</u>

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Gloucester County Special Services School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type I district located in the County of Gloucester, State of New Jersey. As a Type I district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of seven members, six are appointed by the Director of the Board of County Commissioners, and the seventh member is the County School Superintendent. The purpose of the School District is to provide quality programs of special education and related services that meet the needs of students with disabilities from the preschool years to through age 21. The District also provides a wide range of quality educational programs and administrative services to public school districts and their boards of education. The School District has an approximate enrollment at June 30, 2023 of 552 students.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by a county appropriation and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. County appropriations and other items not properly included among program revenues are reported instead as general revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Government-wide and Fund Financial Statements (Cont'd)**

In regard to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements.

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 statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues 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 sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

County appropriation, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, county appropriations, and appropriated fund balance. Expenditures are those which 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include salaries and benefits paid. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following proprietary funds:

Enterprise Funds

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Center for Regional Educational Support Services (CRESS) - This fund accounts for the financial activity related to contracting with public schools for various cooperative educational programs.

Non-public Services - This fund accounts for the financial activity related to contracting with private schools to provide education and support services under the nonpublic schools' entitlement.

One-on-One Teachers' Assistants - This fund accounts for the financial activity related to providing one-on-one teachers assistants to special education children with severe needs.

Therapeutic Recreation Program - This fund accounts for the financial activity related to contracting with the County Parks and Recreation Program to provide a summer camp for the Bankbridge School.

Auxiliary Services - This fund accounts for the financial activity related to providing home instruction and child study team evaluations for public school students.

Cooperative Transportation Project - This fund accounts for the financial activity related to bidding for public, nonpublic, homeless, Special Ed, and Vo-Tech bus routes in primarily Gloucester and Salem Counties.

Employee Assistance Program - This fund accounts for the financial activity related to providing counseling services to employees of education organizations through the University of Medical and Dentistry of NJ.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Enterprise Funds (Cont'd)**

Non-public Textbook and Technology- This fund accounts for the financial activity related to contracting with public schools to provide the service of purchasing textbooks and technology of non-public schools under the nonpublic schools' entitlement.

Additional Remedial Services Chapter I - This fund accounts for the financial activity related to contracting with Clayton and Pennsville School District to provide remedial services under the Title I grant.

Summer Food Services - This is a food service program through the Department of Agriculture which provides nutritional meals to summer school students as well as afterschool camp programs to eligible governmental entities.

Emergency Assistance for Non-public - This fund accounts for financial activity related to services or assistance provided to non-public schools. These services are provided by the Gloucester County Special Services School District to address the impact that the Coronavirus Disease 2019 (COVID-19) has had on non-public students and teachers.

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The School District maintains an internal service fund to account for the financial transactions related to an arrangement with the Gloucester County Vocational-Technical School District for the sharing of administrative and other personnel costs.

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

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 County appropriations.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. The budgets are voted upon at the annual school election in April.) 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:23A-16.2(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:23A-13.3.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control (Cont'd)**

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 accounting, as presented in the general fund budgetary comparison schedule 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 balances - 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 the modified accrual basis of accounting.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Inventories**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023. The School District had no prepaid expenses for the fiscal year ended June 30, 2023.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

Capital Assets

Capital assets represent the cumulative amount of capital assets used by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. Intangible right to use assets (lease and subscription assets) are recorded as expenditures in the governmental fund financial statements. Lease assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Subscription assets are recorded as expenditures in the governmental fund financial statements. Subscription assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Capital Assets (Cont'd)**

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over the useful life of the assets. Lease and subscription assets are amortized in a systematic and rational manner over the shorter of the lease and subscription term or the useful life of the underlying assets. The useful lives of the School District's capital assets are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 - 20 Years
Buildings and Improvements	10 - 50 Years
Land Improvements	10 - 20 Years

The School District does not possess any infrastructure assets.

Deferred Outflows of Resources and Deferred Inflows of Resources

The statement of net position and the balance sheet for governmental funds report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2023 and 2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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.

Compensated Absences

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Compensated Absences (Cont'd)**

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

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, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full, from current financial resources, are reported as obligations of the funds. However, 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. Bonds are recognized as a liability on the governmental fund financial statements when due.

Net Position

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

Net Investment in Capital Assets - This component represents capital assets, net of accumulated depreciation or amortization of intangible capital assets, net of outstanding balances of borrowings used for the 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

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.

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 assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2024:

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the School District in the fiscal year ending June 30, 2025. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2023, the School District's bank balances of \$14,023,702.66 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	<u>\$ 14,023,702.66</u>
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New Jersey Cash Management Fund - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to ensure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2023, the School District's deposits with the New Jersey Cash Management Fund were \$228,091.70.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$10,000 on September 20, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal 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 by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), 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 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$ 127,335.83
Increased by:	
Interest Earnings	<u>1,315.13</u>
Ending Balance, June 30, 2023	<u>\$ 128,650.96</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted projects exceeds the capital reserve balance at June 30, 2023.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

Description	Governmental Funds			Proprietary Funds			Total
	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Proprietary Fund	Total Business-Type Activities	
Federal Awards		\$ 310,985.02	\$ 310,985.02	\$ 19,857.74		\$ 19,857.74	\$ 330,842.76
State Awards	\$ 93,627.73		93,627.73	1,073.64		1,073.64	94,701.37
Tuition Charges	168,258.00		168,258.00				168,258.00
Provided Services					\$ 9,390,350.80	9,390,350.80	9,390,350.80
Other	23,254.84	300,675.87	323,930.71				323,930.71
	<u>\$ 285,140.57</u>	<u>\$ 611,660.89</u>	<u>\$ 896,801.46</u>	<u>\$ 20,931.38</u>	<u>\$ 9,390,350.80</u>	<u>\$ 9,411,282.18</u>	<u>\$ 10,308,083.64</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2023 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 12,506.58
Supplies	<u>2,405.38</u>
	<u>\$ 14,911.96</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 230,052.00			\$ 230,052.00
Construction in Progress	9,837,288.10	\$ 44,112.34		9,881,400.44
Total Capital Assets, not being Depreciated	<u>10,067,340.10</u>	<u>44,112.34</u>	<u>-</u>	<u>10,111,452.44</u>
Capital Assets, being Depreciated				
Land Improvements	110,839.00			110,839.00
Buildings and Improvements	34,538,544.83			34,538,544.83
Equipment	5,957,042.61	175,206.18	\$ (19,128.25)	6,113,120.54
Total Capital Assets, being Depreciated	<u>40,606,426.44</u>	<u>175,206.18</u>	<u>(19,128.25)</u>	<u>40,762,504.37</u>
Total Capital Assets, Cost	<u>50,673,766.54</u>	<u>219,318.52</u>	<u>(19,128.25)</u>	<u>50,873,956.81</u>
Less Accumulated Depreciation				
Land Improvements	(25,789.85)	(3,734.64)		(29,524.49)
Buildings and Improvements	(11,070,201.62)	(693,867.96)		(11,764,069.58)
Equipment	(4,718,847.94)	(158,871.53)	19,089.91	(4,858,629.56)
Total Accumulated Depreciation	<u>(15,814,839.41)</u>	<u>(856,474.13)</u>	<u>19,089.91</u>	<u>(16,652,223.63)</u>
Total Capital Assets, being Depreciated, net Excluding Lease Assets	<u>24,791,587.03</u>	<u>(681,267.95)</u>	<u>(38.34)</u>	<u>24,110,280.74</u>
Total Capital Assets, net Excluding Lease Assets	<u>34,858,927.13</u>	<u>(637,155.61)</u>	<u>(38.34)</u>	<u>34,221,733.18</u>
Lease Assets:				
Equipment	1,249,314.29			1,249,314.29
Less Accumulated Amortization: Equipment	(524,208.70)	(365,407.20)		(889,615.90)
Total Lease Assets, net	<u>725,105.59</u>	<u>(365,407.20)</u>	<u>-</u>	<u>359,698.39</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,584,032.72</u>	<u>\$ (1,002,562.81)</u>	<u>\$ (38.34)</u>	<u>\$ 34,581,431.57</u>

Note 6: CAPITAL ASSETS (CONT'D)

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Business-Type Activities:				
Capital Assets, being Depreciated:				
Buildings and Improvements	\$ 58,588.00			\$ 58,588.00
Equipment	1,140,171.08			1,140,171.08
Total Capital Assets, being Depreciated	1,198,759.08	-	-	1,198,759.08
Less Accumulated Depreciation:				
Buildings and Improvements	(38,905.01)	\$ (427.92)		(39,332.93)
Equipment	(972,734.06)	(39,614.06)		(1,012,348.12)
Total Accumulated Depreciation	(1,011,639.07)	(40,041.98)	-	(1,051,681.05)
Total Capital Assets, being Depreciated, net Excluding Lease Assets	187,120.01	(40,041.98)	-	147,078.03
Lease Assets:				
Equipment	111,866.22			111,866.22
Lease Accumulated Amortization:				
Equipment	(74,577.48)	(37,288.74)		(111,866.22)
Total Lease Assets, net	37,288.74	(37,288.74)	-	-
Business-Type Activities Capital Assets, Net	<u>\$ 224,408.75</u>	<u>\$ (77,330.72)</u>	<u>\$ -</u>	<u>\$ 147,078.03</u>

Depreciation and amortization expense were charged to functions / programs of the School District as follows:

Governmental Activities:

Instruction-Special Education	\$ 163,227.34
Instruction-Vocational	18,042.54
Instruction-Other	37,635.69
Instruction-Non-Public	101.89
Instruction-Community Service	1,216.24
Support Services - Students	11,883.14
Support Services - Instructional Staff	426.64
Support Services - General Administration	62,119.26
Support Services - School Administration	305.52
Support Services - Plant Operations & Maintenance	540,640.88
Support Services - Pupil Transportation	16,065.12
Unallocated	370,217.06
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 1,221,881.33</u>

Business-Type Activities:

Food Service	\$ 7,830.62
Cress	41,736.06
Non-Public Services	11,742.12
Cooperative Transportation Project	16,021.92
Total Depreciation and Amortization Expense - Business-Type Activities	<u>\$ 77,330.72</u>

Note 7: LONG-TERM LIABILITIES

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

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Due within One Year</u>
Governmental Activities:					
Other Liabilities:					
Compensated Absences	\$ 1,020,413.56	\$ 119,133.09	\$ (330,799.09)	\$ 808,747.56	\$ 1,372.54
Lease Liabilities	725,930.91		(359,229.10)	366,701.81	272,202.74
Net Pension Liability (note 8)	10,319,879.46	9,638,265.72	(5,527,988.30)	14,430,156.88	
Total Other Liabilities	<u>12,066,223.93</u>	<u>9,757,398.81</u>	<u>(6,218,016.49)</u>	<u>15,605,606.25</u>	<u>273,575.28</u>
Governmental Activities Long-Term Liabilities	<u>\$ 12,066,223.93</u>	<u>\$ 9,757,398.81</u>	<u>\$ (6,218,016.49)</u>	<u>\$ 15,605,606.25</u>	<u>\$ 273,575.28</u>

The compensated absences, lease liabilities, and net pension liability are liquidated by the general fund.

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

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Due within One Year</u>
Business-Type Activities:					
Other Liabilities:					
Lease Liabilities	\$ 37,277.88		\$ (37,277.88)		
Net Pension Liability (note 8)	5,316,301.54	\$ 4,052,795.80	(4,299,042.22)	\$ 5,070,055.12	
Business-Type Activities Long-Term Liabilities	<u>\$ 5,353,579.42</u>	<u>\$ 4,052,795.80</u>	<u>\$ (4,336,320.10)</u>	<u>\$ 5,070,055.12</u>	<u>\$ -</u>

The School District's annual pension payment is allocated between the following enterprise funds: Center for Regional Educational Support Services (CRESS), Non-public Services, One-on-One Teacher's Assistants, Cooperative Transportation Project, and Additional Remedial Services Chapter I.

Compensated Absences – As previously stated, compensated absences will be paid from the fund from which employees' salaries are paid. Refer to note 13 for a description of the School District's policy.

Net Pension Liability – For details on the net pension liability, refer to note 8. The School District annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund and enterprise funds as noted above on an annual basis.

Note 7: LONG-TERM LIABILITIES (CONT'D)

Lease Liabilities - The School District's payments on lease liabilities are budgeted and paid from the general and proprietary funds on an annual basis.

The School District leased copiers beginning on September 1, 2020 for a term of five years at an implied interest rate of 3.00%.

The School District leased computers for students, teachers, and administration, beginning on August 31, 2020 for a term of three years at an implied interest rate of 3.00%.

The School District leased computers for students, teachers, and administration, beginning on July 1, 2021 for a term of three years at an implied interest rate of 3.00%.

Annual requirements to amortize lease obligations and related interest are as follows:

Lease Liability - Government Activities

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 272,202.74	\$ 9,928.74	\$ 282,131.48
2025	80,796.12	1,730.04	82,526.16
2026	13,702.95	51.41	13,754.36
Total	<u>\$ 366,701.81</u>	<u>\$ 11,710.19</u>	<u>\$ 378,412.00</u>

Lease Liabilities are amortized in a manner consistent with the School District's depreciation policy for owned assets.

Note 8: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. The DCRP is administered by Empower (formerly Prudential Financial).

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans****Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

Teachers' Pension and Annuity Fund - 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. 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.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

The following represents the membership tiers for TPAF:

Tier Definition

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

Service retirement benefits of 1/55th 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 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more 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.

Public Employees' Retirement System - 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 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.

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 with 25 years or more service credit before age 62 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.

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Note 8: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions**

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. The State's contribution is based on an actuarially determined amount, which includes 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.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 38.16% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2023 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$5,308,712.00, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$1,049,048.77.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers. The amounts contributed on behalf of the local participating employers under this 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 this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 17.91% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Note 8: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2022, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023 was \$1,629,454.00, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$656,389.52.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the School District, under Chapter 133, P.L. 2001, for the fiscal year ended June 30, 2023 was .47% of the School District's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$41,029.00.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2023, employee contributions totaled \$392,420.92, and the School District recognized pension expense, which equaled the required contributions, of \$214,545.92. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Teachers' Pension and Annuity Fund**

Pension Liability - At June 30, 2023, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

Proportionate Share of Net Pension Liability	\$	-
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer		<u>65,444,071.00</u>
	<u>\$</u>	<u>65,444,071.00</u>

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. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. For the June 30, 2022 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Teachers' Pension and Annuity Fund (Cont'd)**

Pension Liability (Cont'd) - At the June 30, 2022 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.1268433216%, which was a decrease of 0.0042731805% from its proportion measured as of June 30, 2021.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the School District, calculated by the Plan as of June 30, 2022 measurement date, was \$1,761,283.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

Public Employees' Retirement System

Pension Liability - At June 30, 2023, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The School District reported a liability of \$19,500,212.00 for its proportionate share of the net pension liability for PERS. 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. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the School District's proportion was 0.1292142703%, which was a decrease of 0.0027756182% from its proportion measured as of June 30, 2021.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2023, the School District recognized pension (benefit) expense of (\$2,598,105.00), in the government-wide financial statements. This pension (benefit) expense was based on the pension plan's June 30, 2022 measurement date.

For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the School District, under Chapter 133, P.L. 2001, calculated by the Plan as of June 30, 2022 measurement date, was \$41,029.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources - At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 140,744.00	\$ 124,116.00
Changes of Assumptions	60,418.00	2,919,954.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	807,096.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	-	2,680,215.00
School District Contributions Subsequent to the Measurement Date	1,554,148.00	-
	<u>\$ 2,562,406.00</u>	<u>\$ 5,724,285.00</u>

Deferred outflows of resources in the amount of \$1,554,148.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, 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:

<u>Fiscal Year Ending June 30,</u>	
2024	\$ (2,743,051.00)
2025	(1,700,929.00)
2026	(1,009,367.00)
2027	743,500.00
2028	(6,180.00)
	<u>\$ (4,716,027.00)</u>

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

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

Actuarial Assumptions

The net pension liabilities were measured as of June 30, 2022 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2021. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 5.65%	2.75% - 6.55%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For TPAF, 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.

For PERS, 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.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2022 measurement date) 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 TPAF's and PERS' target asset allocation as of the June 30, 2022 measurement date 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-US Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Discount Rate**

Teachers' Pension and Annuity Fund - 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 would be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make 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.

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

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2022 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 7.00% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (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	<u>76,734,564.00</u>	<u>65,444,071.00</u>	<u>55,933,249.00</u>
	<u>\$ 76,734,564.00</u>	<u>\$ 65,444,071.00</u>	<u>\$ 55,933,249.00</u>

Note 8: PENSION PLANS (CONT'D)**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2022, the Plan's measurement date, calculated using a 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% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	<u>\$ 25,052,060.00</u>	<u>\$ 19,500,212.00</u>	<u>\$ 14,775,366.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, 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 OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

Contributions - The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the "State") 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.

Employees Covered by Benefit Terms - At June 30, 2022, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>364,817</u>

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2023 was \$97,697,572.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. For the June 30, 2022 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was 0.1929010760%, which was a decrease of 0.0041659581% from its proportion measured as of June 30, 2021.

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2021, which was rolled forward to June 30, 2022, used the following actuarial assumptions, applied to all periods in the measurement:

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)****Actuarial Assumptions and Other Inputs (Cont'd)****Salary Increases -**

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u> *
Salary Increases	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%

* based on service years

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

Experience Studies - The actuarial assumptions used in the June 30, 2021 valuation, which was rolled forward to June 30, 2022, were based on the results of actuarial experience studies for the periods July 1, 2018 to June 30, 2021 for TPAF, PERS, and PFRS.

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate - The discount rate for June 30, 2022 measurement date 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.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability**

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

Balance at June 30, 2022		\$ 118,255,298.00
Changes for the Year:		
Service Cost	\$ 6,890,903.00	
Interest Cost	2,589,093.00	
Changes in Benefit Terms	-	
Difference between Expected and Actual Experience	(1,347,171.00)	
Changes in Assumptions	(26,208,250.00)	
Member Contributions	82,273.00	
Gross Benefit Payments	<u>(2,564,574.00)</u>	
Net Changes		<u>(20,557,726.00)</u>
Balance at June 30, 2023		<u>\$ 97,697,572.00</u>

Differences between expected and actual experience reflect an increase in liability for the measurement period from June 30, 2021 to June 30, 2022 due to changes in the census and premium and claims experience.

Changes in assumptions reflect a decrease in the liability for the measurement period from June 30, 2021 to June 30, 2022 is due to the combined effect of the discount rate change; and changes in the trend, and experience study.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2022, associated with the School District, using a discount rate of 3.54%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease <u>(2.54%)</u>	Current Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 114,833,219.00</u>	<u>\$ 97,697,572.00</u>	<u>\$ 83,964,208.00</u>

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2022, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	\$ 80,753,015.00	\$ 97,697,572.00	\$ 119,955,277.00

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense - For the fiscal year ended June 30, 2023, the School District recognized \$5,015,813.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2022 measurement date.

Deferred Outflows and Inflows of Resources - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2023, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 17,442,892.00	\$ 29,828,198.00
Changes of Assumptions	16,908,976.00	33,250,916.00
Changes in Proportion	4,958,916.00	3,492,627.00
	<u>\$ 39,310,784.00</u>	<u>\$ 66,571,741.00</u>

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2024	\$ (4,460,990.00)
2025	(4,460,990.00)
2026	(4,460,990.00)
2027	(3,868,011.00)
2028	(2,059,398.00)
Thereafter	<u>(7,950,578.00)</u>
	<u>\$ (27,260,957.00)</u>

Note 10: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2023, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$5,115,168.00, \$70,967.00, \$1,362,385.00, and \$2,058.00, respectively.

Note 11: 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.

Joint Insurance Fund - The School District is a member of the New Jersey Schools Insurance Group. The Fund provides its members with the following coverage:

Workers' Compensation including Employer's Liability
 General Liability including Police Professional and Employee Benefit Liability
 Automobile Liability
 Blanket Crime including Public Employee Dishonesty
 Property Including Boiler and Machinery
 Public Officials and Employment Practices Liability
 Volunteer Directors and Officers Liability
 Cyber Liability

Note 11: RISK MANAGEMENT (CONT'D)**Joint Insurance Fund (Cont'd)**

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
 Excess General Liability
 Non-Owned Aircraft Liability
 Excess Auto Liability
 Fidelity and Performance (Blanket)
 Excess Property including Boiler and Machinery
 Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report that can be obtained from:

New Jersey Schools Insurance Group
 P.O. Box 489
 Marlton, New Jersey 08053

Note 12: DEFERRED COMPENSATION

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

Advanced Asset Planning Service
 Lincoln Investment Planning Resources Trust
 Advantage Capital
 The Equitable
 Voya Financial

Note 13: 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, *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 who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days that may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2023, the liability for compensated absences reported on the government-wide statement of net position was \$808,747.56.

Note 14: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 335,239.04	
Special Revenue		\$ 335,239.04
	<u>\$ 335,239.04</u>	<u>\$ 335,239.04</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2024, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 15: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

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

Note 16: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 17: COMMITMENTS

The School District had one construction project ongoing as of the fiscal year ended June 30, 2023 that is to continue into the subsequent fiscal year. This project, which is related to the capital projects fund, is as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Bankbridge Elementary and Regional Schools Rehabilitation and Capital Maintenance	Various	<u>\$ 13,112.97</u>

Note 18: FUND BALANCES**NONSPENDABLE**

As stated in note 1, the nonspendable fund balance 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. There were no nonspendable fund balances as of June 30, 2023.

RESTRICTED

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Capital Reserve Account - As of June 30, 2023, the balance in the capital reserve account is \$128,650.96. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2023, the balance in the maintenance reserve account is \$414,310.98. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Special Revenue Fund

For Donations - The School District reports fund balance resulting from the receipt of donations to be used for the continuation of the Migrant, McKinney and School Based Youth Services programs. These funds are required to be used as restricted by the donor(s). The balance of these funds as of June 30, 2023 is \$117,399.37.

For Scholarships - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships for future teachers. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2023 is \$2,570.52.

For Student Activities - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2023 is \$74,555.15.

Note 18: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)**

Capital Projects Fund - On June 3, 2020, the Board of Education approved an agreement with the Gloucester County Improvement Authority to finance the completion of various rehabilitation and capital maintenance projects.

As of June 30, 2023, the Capital Projects Fund had no fund balance.

COMMITTED

As stated in note 1, the committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which is the Board of Education. The District did not have any committed fund balances as of June 30, 2023.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

Other Purposes - As of June 30, 2023, the School District had \$97,995.99 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2024 \$3,927,683.00 of general fund balance at June 30, 2023.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2023, \$2,782,047.34 of general fund balance was unassigned.

Note 19: SUBSEQUENT EVENTS

COVID-19 - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2024.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
County Appropriations	\$ 2,375,000.00		\$ 2,375,000.00	\$ 2,375,000.00	
Tuition - LEAs	24,694,920.00		24,694,920.00	25,690,140.00	\$ 995,220.00
Nonresident Fees	858,600.00		858,600.00	897,920.00	39,320.00
Interest Earned on Capital Reserve Funds				1,315.13	1,315.13
Interest Earned on Maintenance Reserve Funds				4,235.27	4,235.27
Miscellaneous	235,000.00		235,000.00	742,945.59	507,945.59
Total Local Sources	28,163,520.00	-	28,163,520.00	29,711,555.99	1,548,035.99
State Sources:					
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Normal Cost				5,115,168.00	5,115,168.00
Non-Contributory Insurance				70,967.00	70,967.00
Long-Term Disability Insurance Contribution				2,058.00	2,058.00
Post-Retirement Medical				1,362,385.00	1,362,385.00
Reimbursed T.P.A.F. Social Security (nonbudgeted)				995,838.87	995,838.87
Total State Sources	-	-	-	7,546,416.87	7,546,416.87
Federal Sources:					
Medicaid Reimbursement Program (SEMI)	90,000.00		90,000.00	317,376.00	227,376.00
Total Federal Sources	90,000.00	-	90,000.00	317,376.00	227,376.00
Total Revenues	28,253,520.00	-	28,253,520.00	37,575,348.86	9,321,828.86
EXPENDITURES:					
GENERAL CURRENT EXPENSE:					
Special Education - Instruction:					
Auditory Impairments					
Salaries of Teachers	255,000.00	\$ 18,762.00	273,762.00	272,078.00	1,684.00
Other Salaries for Instruction	474,904.00	(31,374.00)	443,530.00	425,103.00	18,427.00
Purchased Professional-Educational Services	28,894.00	(1,800.00)	27,094.00	1,723.00	25,371.00
Other Purchased Services (400-500 series)	21,264.00	360.00	21,624.00	19,473.00	2,151.00
General Supplies	16,691.00	773.00	17,464.00	4,929.00	12,535.00
Textbooks	5,700.00		5,700.00	590.00	5,110.00
Other Objects	500.00		500.00		500.00
Total Auditory Impairments	802,953.00	(13,279.00)	789,674.00	723,896.00	65,778.00
Behavioral Disabilities:					
Salaries of Teachers	1,679,000.00	(5,232.00)	1,673,768.00	1,596,316.00	77,452.00
Other Salaries for Instruction	668,928.00	(22,139.00)	646,789.00	576,531.00	70,258.00
Purchased Professional-Educational Services	168,910.00	(85,201.00)	83,709.00	71,722.00	11,987.00
Purchased Technical Services	75,060.00		75,060.00	63,407.00	11,653.00
Other Purchased Services (400-500 series)	161,291.00	107.00	161,398.00	136,859.00	24,539.00
General Supplies	320,298.00	5,581.00	325,879.00	110,413.00	215,466.00
Textbooks	206,850.00	(30,916.00)	175,934.00	6,836.00	169,098.00
Other Objects	8,000.00	1,875.00	9,875.00	8,782.00	1,093.00
Total Behavioral Disabilities	3,288,337.00	(135,925.00)	3,152,412.00	2,570,866.00	581,546.00
Multiple Disabilities:					
Salaries of Teachers	4,266,000.00	(203,101.00)	4,062,899.00	3,883,140.00	179,759.00
Other Salaries for Instruction	1,278,890.00	254,345.00	1,533,235.00	1,377,700.00	155,535.00
Purchased Professional-Educational Services	158,720.00	3,737.00	162,457.00	143,444.00	19,013.00
Purchased Technical Services	175,140.00		175,140.00	148,786.00	26,354.00
Other Purchased Services (400-500 series)	450,155.00	(108.00)	450,047.00	375,565.00	74,482.00
General Supplies	659,157.00	(23,324.00)	635,833.00	380,983.00	254,850.00
Textbooks	117,350.00		117,350.00	21,748.00	95,602.00
Other Objects	4,000.00	12,115.00	16,115.00	13,925.00	2,190.00
Total Multiple Disabilities	7,109,412.00	43,664.00	7,153,076.00	6,345,291.00	807,785.00
Resource Room:					
General Supplies	-	5,000.00	5,000.00	567.00	4,433.00

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
GENERAL CURRENT EXPENSE (CONT'D):					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 177,750.00	\$ 88,849.00	\$ 266,599.00	\$ 243,203.00	\$ 23,396.00
Other Salaries for Instruction	80,130.00	36,717.00	116,847.00	99,110.00	17,737.00
Purchased Professional-Educational Services	1,625.00		1,625.00	125.00	1,500.00
Other Purchased Services (400-500 series)	14,467.00	1,722.00	16,189.00	16,013.00	176.00
General Supplies	49,600.00	(1,196.00)	48,404.00	5,200.00	43,204.00
Other Objects	500.00		500.00		500.00
Total Preschool Disabilities - Full-Time	324,072.00	126,092.00	450,164.00	363,651.00	86,513.00
Home Instruction:					
Purchased Professional Educational Services	145,000.00	45,000.00	190,000.00	105,297.00	84,703.00
Extended School Year:					
Salaries of Teachers	455,000.00	9,109.00	464,109.00	464,109.00	
Other Salaries for Instruction	413,000.00	5,529.00	418,529.00	387,385.00	31,144.00
Purchased Professional-Educational Services	279,000.00	(30,000.00)	249,000.00	209,090.00	39,910.00
Purchased Technical Services	296,000.00	106.00	296,106.00	296,106.00	
Other Purchased Services (400-500 series)	3,050.00	90.00	3,140.00	133.00	3,007.00
General Supplies	13,500.00	(90.00)	13,410.00	11,844.00	1,566.00
Total Extended School Year	1,459,550.00	(15,256.00)	1,444,294.00	1,368,667.00	75,627.00
Total Special Education Instruction	13,129,324.00	55,296.00	13,184,620.00	11,478,235.00	1,706,385.00
School - Sponsored Cocurricular Activities - Instruction:					
Salaries	2,000.00		2,000.00	2,000.00	
Total School - Sponsored Cocurricular Activities - Instruction	2,000.00	-	2,000.00	2,000.00	-
School - Sponsored Athletics - Instruction:					
Salaries	75,000.00		75,000.00	68,971.00	6,029.00
Purchased Services (300-500 series)	2,500.00	600.00	3,100.00	2,059.00	1,041.00
Supplies and Materials	2,000.00	(600.00)	1,400.00		1,400.00
Total School - Sponsored Athletics - Instruction	79,500.00	-	79,500.00	71,030.00	8,470.00
Community Services Programs/Operations:					
Unused Vacation Payment		6,157.00	6,157.00	6,157.00	
Purchased Services (300-500 series)	3,600.00		3,600.00	3,577.00	23.00
Total Community Services Programs/Operations	3,600.00	6,157.00	9,757.00	9,734.00	23.00
Total Instruction	13,214,424.00	61,453.00	13,275,877.00	11,560,999.00	1,714,878.00
Undistributed Expenditures:					
Attendance & Social Work:					
Salaries	64,000.00		64,000.00	61,298.00	2,702.00
Purchased Professional and Technical Services	2,606.00	3,820.00	6,426.00	2,959.00	3,467.00
Other Purchased Services (400-500 series)	9,992.00	(3,465.00)	6,527.00	3,687.00	2,840.00
Supplies and Materials	300.00		300.00		300.00
Total Attendance & Social Work	76,898.00	355.00	77,253.00	67,944.00	9,309.00
Health Services:					
Salaries	564,000.00	22,454.00	586,454.00	521,439.00	65,015.00
Purchased Professional and Technical Services	133,500.00	(26,300.00)	107,200.00	69,100.00	38,100.00
Other Purchased Services (400-500 series)	13,380.00		13,380.00	10,358.00	3,022.00
Supplies and Materials	25,410.00	1,240.00	26,650.00	18,298.00	8,352.00
Total Health Services	736,290.00	(2,606.00)	733,684.00	619,195.00	114,489.00
Speech, OT, PT & Related Services:					
Salaries	1,935,000.00	(122,338.00)	1,812,662.00	1,777,329.00	35,333.00
Purchased Professional - Educational Services	92,050.00	21,177.00	113,227.00	63,064.00	50,163.00
Supplies and Materials	25,304.00	13,456.00	38,760.00	23,297.00	15,463.00
Other Objects		2,025.00	2,025.00	1,800.00	225.00
Total - Speech, OT, PT & Related Services	2,052,354.00	(85,680.00)	1,966,674.00	1,865,490.00	101,184.00

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
GENERAL CURRENT EXPENSE (CONT'D):					
Child Study Teams:					
Salaries of Other Professional Staff	\$ 1,227,000.00	\$ 57,059.00	\$ 1,284,059.00	\$ 1,255,138.00	\$ 28,921.00
Other Salaries	5,000.00		5,000.00	5,000.00	
Unused Vacation Payment to Terminated/Retired Staff	5,000.00	(2,949.00)	2,051.00		2,051.00
Purchased Professional - Educational Services	64,940.00	1,650.00	66,590.00	1,875.00	64,715.00
Other Purchased Professional and Technical Services	6,082.00	(355.00)	5,727.00	5,310.00	417.00
Other Purchased Services (400-500 series)	33,091.00	(5,430.00)	27,661.00	18,505.00	9,156.00
Supplies and Materials	2,312.00	521.00	2,833.00	1,891.00	942.00
Other Objects		845.00	845.00	845.00	
Total Child Study Teams	1,343,425.00	51,341.00	1,394,766.00	1,288,564.00	106,202.00
Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	123,000.00	(24,165.00)	98,835.00	98,835.00	
Salaries of Other Professional Staff	13,920.00		13,920.00		13,920.00
Salaries of Secretarial & Clerical Assistants	118,000.00	30,650.00	148,650.00	146,622.00	2,028.00
Other Salaries	65,000.00	(36,000.00)	29,000.00	5,700.00	23,300.00
Unused Vacation Payment to Terminated/Retired Staff	10,000.00		10,000.00	3,291.00	6,709.00
Purchased Professional - Educational Services	115,000.00	(14,660.00)	100,340.00	40,364.00	59,976.00
Other Purchased Professional and Technical Services	95,000.00		95,000.00	50,328.00	44,672.00
Other Purchased Services (400-500 series)	8,300.00		8,300.00	1,595.00	6,705.00
Supplies and Materials	25,000.00		25,000.00	6,305.00	18,695.00
Other Objects	5,845.00		5,845.00	3,817.00	2,028.00
Total Improvement of Instruction Services	579,065.00	(44,175.00)	534,890.00	356,857.00	178,033.00
Educational Media Services/School Library:					
Salaries		3.00	3.00	3.00	
Salaries for Technology Coordinators	238,000.00	6,905.00	244,905.00	209,608.00	35,297.00
Unused Vacation Payment to Terminated/Retired Staff		428.00	428.00	428.00	
Purchased Professional and Technical Services	2,918.00	30.00	2,948.00	2,077.00	871.00
Other Purchased Services (400-500 series)	3,500.00		3,500.00	1,796.00	1,704.00
Supplies and Materials	7,300.00		7,300.00	6,412.00	888.00
Other Objects	450.00		450.00	450.00	
Total Educational Media Services/School Library	252,168.00	7,366.00	259,534.00	220,324.00	39,210.00
Instructional Staff Training Services:					
Other Salaries	40,000.00	49,103.00	89,103.00	85,603.00	3,500.00
Purchased Professional - Educational Services	57,800.00	19,036.00	76,836.00	66,381.00	10,455.00
Other Purchased Services (400-500 series)	12,000.00	(5,740.00)	6,260.00	1,254.00	5,006.00
Supplies and Materials	10,000.00		10,000.00	3,597.00	6,403.00
Other Objects	6,000.00		6,000.00	6,000.00	
Total Instructional Staff Training Services	125,800.00	62,399.00	188,199.00	162,835.00	25,364.00
Support Services - General Administration:					
Salaries	48,000.00	2,377.00	50,377.00	49,916.00	461.00
Legal Services	30,000.00		30,000.00	29,519.00	481.00
Audit Fees	55,000.00	1,000.00	56,000.00	56,000.00	
Other Purchased Professional Services	6,700.00		6,700.00	3,740.00	2,960.00
Purchased Technical Services	2,250.00		2,250.00	2,250.00	
Communications/Telephone	74,500.00	(1,000.00)	73,500.00	63,430.00	10,070.00
Misc. Purchased Services (400-500 except 530 & 585)	23,740.00	710.00	24,450.00	22,246.00	2,204.00
General Supplies	2,000.00	(710.00)	1,290.00	442.00	848.00
BOE In-House Training/Meeting Supplies	1,000.00		1,000.00	683.00	317.00
Judgments Against the School District	5,000.00		5,000.00		5,000.00
Miscellaneous Expenditures	11,500.00		11,500.00	10,885.00	615.00
BOE Membership Dues and Fees	6,700.00		6,700.00	6,433.00	267.00
Total Support Services - General Administration	266,390.00	2,377.00	268,767.00	245,544.00	23,223.00
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	729,000.00	1,600.00	730,600.00	729,513.00	1,087.00
Salaries of Other Professional Staff	120,000.00	50,331.00	170,331.00	170,102.00	229.00
Salaries of Secretarial and Clerical Assistants	498,000.00	3,765.00	501,765.00	501,749.00	16.00
Purchased Professional and Technical Services	8,500.00	2,379.00	10,879.00	9,770.00	1,109.00
Other Purchased Services (400-500 series)	19,250.00	(3,000.00)	16,250.00	13,693.00	2,557.00
Supplies and Materials	8,100.00	1,555.00	9,655.00	5,110.00	4,545.00
Other Objects	5,600.00		5,600.00	4,525.00	1,075.00
Total Support Services - School Administration	1,388,450.00	56,630.00	1,445,080.00	1,434,462.00	10,618.00

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
GENERAL CURRENT EXPENSE (CONT'D):					
Central Services:					
Salaries	\$ 80,000.00	\$ 3,450.00	\$ 83,450.00	\$ 83,294.00	\$ 156.00
Unused Vacation Payment to Terminate/Retired Staff	4,000.00		4,000.00	2,834.00	1,166.00
Purchased Professional Services	1,500.00	12,000.00	13,500.00	4,938.00	8,562.00
Purchased Technical Services	141,306.00	283,859.00	425,165.00	414,617.00	10,548.00
Misc. Purchased Services (400-500 except 594)	33,240.00	(1,355.00)	31,885.00	16,867.00	15,018.00
Supplies and Materials	8,000.00	(300.00)	7,700.00	4,989.00	2,711.00
Miscellaneous Expenditures	3,790.00	1,000.00	4,790.00	3,499.00	1,291.00
Total Central Services	271,836.00	298,654.00	570,490.00	531,038.00	39,452.00
Administration Information Technology:					
Purchased Technical Services	31,800.00	(3,758.00)	28,042.00	23,281.00	4,761.00
Other Purchased Services (400-500 series)	24,740.00	(12,000.00)	12,740.00	4,739.00	8,001.00
Supplies and Materials	29,700.00		29,700.00	11,543.00	18,157.00
Total Administration Information Technology	86,240.00	(15,758.00)	70,482.00	39,563.00	30,919.00
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	230,000.00	11,299.00	241,299.00	147,983.00	93,316.00
General Supplies	127,683.00	(13,884.00)	113,799.00	99,736.00	14,063.00
Total Required Maintenance for School Facilities	357,683.00	(2,585.00)	355,098.00	247,719.00	107,379.00
Custodial Services:					
Salaries	1,059,000.00	(30,807.00)	1,028,193.00	978,364.00	49,829.00
Unused Vacation Payment to Terminated/Retired Staff	5,000.00	2,783.00	7,783.00	7,783.00	
Purchased Professional and Technical Services	44,352.00		44,352.00	37,183.00	7,169.00
Cleaning, Repair and Maintenance Services	126,300.00	(14,718.00)	111,582.00	59,173.00	52,409.00
Rental of Land & Bldg Other than Lease Purch Agreement	85,000.00		85,000.00	42,500.00	42,500.00
Other Purchased Property Services	46,355.00	1,000.00	47,355.00	33,084.00	14,271.00
Insurance	138,854.00	20,496.00	159,350.00	159,111.00	239.00
Miscellaneous Purchased Services	1,500.00		1,500.00	731.00	769.00
General Supplies	147,280.00	(1,571.00)	145,709.00	111,006.00	34,703.00
Energy (Natural Gas)	175,000.00	19,500.00	194,500.00	181,549.00	12,951.00
Energy (Electricity)	505,000.00	(22,315.00)	482,685.00	402,313.00	80,372.00
Energy (Gasoline)	12,000.00	2,815.00	14,815.00	14,815.00	
Other Objects	4,340.00	390.00	4,730.00	3,157.00	1,573.00
Total Custodial Services	2,349,981.00	(22,427.00)	2,327,554.00	2,030,769.00	296,785.00
Care & Upkeep of Grounds:					
Salaries	30,000.00		30,000.00	22,182.00	7,818.00
Cleaning, Repair and Maintenance Services	124,400.00	31,685.00	156,085.00	145,041.00	11,044.00
General Supplies	40,000.00	4,692.00	44,692.00	44,692.00	
Other Objects	400.00	254.00	654.00	654.00	
Total Care and Upkeep of Grounds	194,800.00	36,631.00	231,431.00	212,569.00	18,862.00
Security:					
Purchased Professional and Technical Services	58,968.00		58,968.00	29,003.00	29,965.00
Cleaning Repair and Maintenance Services	5,000.00		5,000.00		5,000.00
General Supplies	19,500.00		19,500.00	5,633.00	13,867.00
Total Security	83,468.00	-	83,468.00	34,636.00	48,832.00
Total Operation and Maintenance of Plant Services	2,985,932.00	11,619.00	2,997,551.00	2,525,693.00	471,858.00
Student Transportation Services:					
Salaries - Other than between Home and School	3,000.00		3,000.00	2,225.00	775.00
Other Purchased Professional and Technical Services	600.00		600.00	392.00	208.00
Cleaning, Repair, Maintenance Services	15,000.00	(6,044.00)	8,956.00	1,918.00	7,038.00
Contracted Services (Other Than Between Home & School)	8,000.00	39,250.00	47,250.00	24,295.00	22,955.00
Miscellaneous, Purchased Services - Transportation	3,100.00		3,100.00	1,685.00	1,415.00
Supplies and Materials		6,044.00	6,044.00	6,044.00	
Transportation Supplies	10,000.00		10,000.00	5,256.00	4,744.00
Other Objects	2,000.00		2,000.00	1,415.00	585.00
Total Student Transportation Services	41,700.00	39,250.00	80,950.00	43,230.00	37,720.00

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
GENERAL CURRENT EXPENSE (CONT'D):					
Personnel Services - Employee Benefits:					
Social Security Contributions	\$ 608,000.00		\$ 608,000.00	\$ 546,474.00	\$ 61,526.00
Other Retirement Contributions - PERS	876,720.00	\$ 126,423.00	1,003,143.00	895,763.00	107,380.00
Unemployment Compensation	123,000.00	(1,842.00)	121,158.00	96,798.00	24,360.00
Workmen's Compensation	313,448.00	11,843.00	325,291.00	325,291.00	
Health Benefits	6,000,306.00	(526,739.00)	5,473,567.00	5,464,452.00	9,115.00
Other Employee Benefits	73,300.00	39,451.00	112,751.00	107,544.00	5,207.00
Unused Sick Payments to Terminated/Retired Staff	70,000.00	(21,036.00)	48,964.00	48,493.00	471.00
Total Personnel Services - Employee Benefits	<u>8,064,774.00</u>	<u>(371,900.00)</u>	<u>7,692,874.00</u>	<u>7,484,815.00</u>	<u>208,059.00</u>
Nonbudgeted:					
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Normal Cost				5,115,168.00	(5,115,168.00)
Non-Contributory Insurance				70,967.00	(70,967.00)
Long-Term Disability Insurance Contribution				2,058.00	(2,058.00)
Post-Retirement Medical				1,362,385.00	(1,362,385.00)
Reimbursed TPAF Social Security Contributions				995,838.87	(995,838.87)
Total Nonbudgeted	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,546,416.87</u>	<u>(7,546,416.87)</u>
Total Undistributed Expenses	<u>18,271,322.00</u>	<u>9,872.00</u>	<u>18,281,194.00</u>	<u>24,431,970.87</u>	<u>(6,150,776.87)</u>
Total Expenditures - Current Expense	<u>31,485,746.00</u>	<u>71,325.00</u>	<u>31,557,071.00</u>	<u>35,992,969.87</u>	<u>(4,435,898.87)</u>
CAPITAL OUTLAY:					
Increase in Capital Reserve Equipment:					
Special Education - Instruction:					
Auditory Impairments					
Instructional Equipment		115.00	115.00	115.00	
Emotional Regulation Impairment					
Instructional Equipment	6,498.00	619.00	7,117.00	6,314.00	803.00
Multiple Disabilities					
Instructional Equipment	18,539.00	28,186.00	46,725.00	43,865.00	2,860.00
Preschool Disabilities - Full Time					
Non-Instructional Equipment		803.00	803.00	803.00	
Undistributed Expenditures:					
Support Services - Related and Extraordinary		21,517.00	21,517.00	21,517.00	
School Admin	2,708.00		2,708.00	2,373.00	335.00
Administrative Information Technology	2,708.00		2,708.00	2,373.00	335.00
Required Maintenance for School Facilities	39,500.00	(14,025.00)	25,475.00	11,727.00	13,748.00
Custodial Services	12,900.00	1,156.00	14,056.00	9,364.00	4,692.00
Care and Upkeep of Grounds	165,000.00	(98,022.00)	66,978.00	63,953.00	3,025.00
Total Equipment	<u>247,853.00</u>	<u>(59,651.00)</u>	<u>188,202.00</u>	<u>162,404.00</u>	<u>25,798.00</u>
Total Capital Outlay	<u>247,853.00</u>	<u>(59,651.00)</u>	<u>188,202.00</u>	<u>162,404.00</u>	<u>25,798.00</u>
Total Expenditures	<u>31,733,599.00</u>	<u>11,674.00</u>	<u>31,745,273.00</u>	<u>36,155,373.87</u>	<u>(4,410,100.87)</u>
Calculation of Deficiency of Revenues Under Expenditures:					
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,480,079.00)	(11,674.00)	(3,491,753.00)	1,419,974.99	4,911,727.99
Other Financing Sources/(Uses):					
Tuition Adjustment Refunds				(132,622.19)	(132,622.19)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(132,622.19)</u>	<u>(132,622.19)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,480,079.00)</u>	<u>(11,674.00)</u>	<u>(3,491,753.00)</u>	<u>1,287,352.80</u>	<u>4,779,105.80</u>
Fund Balances, July 1	<u>6,063,335.47</u>	<u>-</u>	<u>6,063,335.47</u>	<u>6,063,335.47</u>	
Fund Balances, June 30	<u>\$ 2,583,256.47</u>	<u>\$ (11,674.00)</u>	<u>\$ 2,571,582.47</u>	<u>\$ 7,350,688.27</u>	<u>\$ 4,779,105.80</u>
Recapitulation:					
Restricted:					
Capital Reserve				\$ 128,650.96	
Maintenance Reserve				414,310.98	
Assigned:					
Year End Encumbrances				97,995.99	
Designated for Subsequent Year's Expenditures:					
2023-2024 Budget				3,927,683.00	
Unassigned:					
General Fund				2,782,047.34	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 7,350,688.27</u>	

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
State Sources	\$ 297,105.00	\$ 23,736.00	\$ 320,841.00	\$ 320,841.00	
Federal Sources	1,700,000.00	3,679,984.19	5,379,984.19	2,122,248.98	\$ (3,257,735.21)
Other Sources	75,000.00	1,468,443.74	1,543,443.74	1,397,180.13	(146,263.61)
Total - Revenues	<u>2,072,105.00</u>	<u>5,172,163.93</u>	<u>7,244,268.93</u>	<u>3,840,270.11</u>	<u>(3,403,998.82)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	15,000.00	294,416.60	309,416.60	260,564.35	48,852.25
Purchased Professional Technical Services		167,450.00	167,450.00	8,939.00	158,511.00
Other Purchased Services		599,550.00	599,550.00	165,488.80	434,061.20
General Supplies		833,277.60	833,277.60	40,926.10	792,351.50
Other Objects		37,345.00	37,345.00	9,345.00	28,000.00
Total Instruction	<u>15,000.00</u>	<u>1,932,039.20</u>	<u>1,947,039.20</u>	<u>485,263.25</u>	<u>1,461,775.95</u>
Support Services:					
Salaries of Other Professional Staff	283,705.00	2,860.43	286,565.43	286,565.43	
Salaries	1,700,000.00	47,241.43	1,747,241.43	1,347,068.04	400,173.39
Employee Benefits	2,300.00	997,360.32	999,660.32	732,235.00	267,425.32
Purchased Professional Technical Services		234,859.00	234,859.00	198,912.00	35,947.00
Purchased Professional Services		197,605.70	197,605.70	91,183.80	106,421.90
Purchased Property Services		105,071.05	105,071.05	24,296.54	80,774.51
Other Purchased Services	3,900.00	998,892.15	1,002,792.15	266,781.47	736,010.68
Telephone		12,454.76	12,454.76	6,592.62	5,862.14
Travel	800.00	43,876.08	44,676.08	15,980.20	28,695.88
Supplies and Materials	900.00	214,845.16	215,745.16	100,623.80	115,121.36
Other Objects	5,500.00	134,294.00	139,794.00	115,308.60	24,485.40
Indirect Costs		226,992.84	226,992.84	79,773.24	147,219.60
Miscellaneous Expenditures		8,568.81	8,568.81	8,568.81	
Scholarships Awarded	15,000.00		15,000.00		15,000.00
Student Activities	45,000.00		45,000.00	55,113.82	(10,113.82)
Donations Expenditures				9,509.47	(9,509.47)
Total Support Services	<u>2,057,105.00</u>	<u>3,224,921.73</u>	<u>5,282,026.73</u>	<u>3,338,512.84</u>	<u>1,943,513.89</u>
Facilities Acquisition & Construction Services:					
Instructional Equipment		12,803.00	12,803.00	12,803.00	
Non-Instructional Equipment		2,400.00	2,400.00		2,400.00
Total Facilities Acquisition & Construction Services	<u>-</u>	<u>15,203.00</u>	<u>15,203.00</u>	<u>12,803.00</u>	<u>2,400.00</u>
Total Expenditures	<u>2,072,105.00</u>	<u>5,172,163.93</u>	<u>7,244,268.93</u>	<u>3,836,579.09</u>	<u>3,407,689.84</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,691.02</u>	<u>3,691.02</u>
Fund Balance, July 1				<u>190,834.02</u>	
Fund Balance, June 30				<u>\$ 194,525.04</u>	
Recapitulation:					
Restricted:					
Donations				\$ 117,399.37	
Scholarships				2,570.52	
Student Activities				<u>74,555.15</u>	
Total Fund Balance				<u>\$ 194,525.04</u>	

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 37,575,348.86	\$ 3,840,270.11
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		(8,499.19)
Prior Year		
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 37,575,348.86</u>	<u>\$ 3,831,770.92</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 36,155,373.87	\$ 3,836,579.09
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		(8,499.19)
Prior Year		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 36,155,373.87</u>	<u>\$ 3,828,079.90</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

ACCOUNTING AND REPORTING FOR PENSIONS

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Ten Plan Years

	<u>Measurement Date Ending June 30,</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>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.1292142703%	0.1319898885%	0.1425604116%	0.1482356268%	0.1533802555%	0.1551593857%	0.1598288866%	0.1584824469%	0.1499288724%	0.1515580565%
School District's Proportionate Share of the Net Pension Liability	\$ 19,500,212.00	\$ 15,636,181.00	\$ 23,247,875.00	\$ 26,709,811.00	\$ 30,199,808.00	\$ 36,118,625.00	\$ 47,336,732.00	\$ 35,576,134.00	\$ 28,070,785.00	\$ 28,965,756.00
School District's Covered Payroll (Plan Measurement Period)	\$ 10,323,044.00	\$ 10,741,076.00	\$ 11,346,344.00	\$ 11,685,524.00	\$ 11,956,312.00	\$ 12,089,132.00	\$ 12,247,872.00	\$ 12,049,508.00	\$ 11,484,684.00	\$ 11,537,648.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	188.90%	145.57%	204.89%	228.57%	252.58%	298.77%	386.49%	295.25%	244.42%	251.05%
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%

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Ten Fiscal Years

	<u>Fiscal Year Ended June 30,</u>									
	<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	\$ 1,554,148.00	\$ 1,629,454.00	\$ 1,545,755.00	\$ 1,559,539.00	\$ 1,441,896.00	\$ 1,525,638.00	\$ 1,437,386.00	\$ 1,419,897.00	\$ 1,362,524.00	\$ 1,235,992.00
Contributions in Relation to the Contractually Required Contribution	<u>(1,554,148.00)</u>	<u>(1,629,454.00)</u>	<u>(1,545,755.00)</u>	<u>(1,559,539.00)</u>	<u>(1,441,896.00)</u>	<u>(1,525,638.00)</u>	<u>(1,437,386.00)</u>	<u>(1,419,897.00)</u>	<u>(1,362,524.00)</u>	<u>(1,235,992.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 8,677,252.00	\$ 8,807,883.00	\$ 9,414,073.00	\$ 9,810,522.00	\$ 9,937,294.00	\$ 10,483,438.00	\$ 10,712,607.00	\$ 10,697,739.00	\$ 10,882,370.00	\$ 10,558,582.00
Contributions as a Percentage of School District's Covered Payroll	17.91%	18.50%	16.42%	15.90%	14.51%	14.55%	13.42%	13.27%	12.52%	11.71%

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Ten Plan Years

	Measurement Date Ending June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>65,444,071.00</u>	<u>63,034,506.00</u>	<u>86,931,281.00</u>	<u>83,778,268.00</u>	<u>83,061,214.00</u>	<u>92,105,581.00</u>	<u>106,546,718.00</u>	<u>82,542,392.00</u>	<u>71,561,667.00</u>	<u>66,462,506.00</u>
	<u>\$ 65,444,071.00</u>	<u>\$ 63,034,506.00</u>	<u>\$ 86,931,281.00</u>	<u>\$ 83,778,268.00</u>	<u>\$ 83,061,214.00</u>	<u>\$ 92,105,581.00</u>	<u>\$ 106,546,718.00</u>	<u>\$ 82,542,392.00</u>	<u>\$ 71,561,667.00</u>	<u>\$ 66,462,506.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 16,677,996.00	\$ 16,788,544.00	\$ 16,578,788.00	\$ 16,622,304.00	\$ 16,522,320.00	\$ 15,884,320.00	\$ 16,368,816.00	\$ 15,896,112.00	\$ 15,204,488.00	\$ 15,038,904.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	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 as a Percentage of its Covered Payroll	392.40%	375.46%	524.35%	504.01%	502.72%	579.85%	650.91%	519.26%	470.66%	441.94%
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%

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Required Supplementary Information
Schedule of School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

GLOUCESTER COUNTY SPECIAL SERVICES 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:

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	4.25%
2021	7.00%	2016	3.22%
2020	5.40%	2015	4.13%
2019	5.60%	2014	4.68%
2018	4.86%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms:

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%
2018	5.66%		

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2023

Public Employees' Retirement System (PERS) (Cont'd)

Changes in Assumptions (Cont'd):

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

**REQUIRED SUPPLEMENTARY INFORMATION
PART IV**

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
 Last Six Plan Years

	<u>Measurement Date Ending June 30,</u>		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District			
Changes for the Year:			
Service Cost	\$ 6,890,903.00	\$ 8,279,827.00	\$ 4,690,186.00
Interest Cost	2,589,093.00	3,067,667.00	2,917,171.00
Changes in Benefit Terms		(125,868.00)	
Difference Between Expected and Actual Experience	(1,347,171.00)	(24,719,759.00)	24,377,870.00
Changes in Assumptions	(26,208,250.00)	116,668.00	24,472,592.00
Member Contributions	82,273.00	78,425.00	70,695.00
Gross Benefit Payments	<u>(2,564,574.00)</u>	<u>(2,416,462.00)</u>	<u>(2,332,391.00)</u>
Net Change in Total Non-Employer OPEB Liability	(20,557,726.00)	(15,719,502.00)	54,196,123.00
Total Non-Employer OPEB Liability - July 1	<u>118,255,298.00</u>	<u>133,974,800.00</u>	<u>79,778,677.00</u>
Total Non-Employer OPEB Liability - June 30	<u>\$ 97,697,572.00</u>	<u>\$ 118,255,298.00</u>	<u>\$ 133,974,800.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 23,150,702.00</u>	<u>\$ 23,802,849.00</u>	<u>\$ 24,090,082.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	422.01%	496.81%	556.14%

	<u>Measurement Date Ending June 30,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District			
Changes for the Year:			
Service Cost	\$ 5,086,853.00	\$ 5,936,402.00	\$ 7,152,223.00
Interest Cost	3,469,166.00	3,799,187.00	3,239,709.00
Changes in Benefit Terms			
Difference Between Expected and Actual Experience	(13,323,063.00)	(13,234,559.00)	
Changes in Assumptions	1,189,507.00	(9,838,244.00)	(14,492,986.00)
Member Contributions	72,594.00	79,231.00	86,383.00
Gross Benefit Payments	<u>(2,448,968.00)</u>	<u>(2,292,459.00)</u>	<u>(2,345,930.00)</u>
Net Change in Total Non-Employer OPEB Liability	(5,953,911.00)	(15,550,442.00)	(6,360,601.00)
Total Non-Employer OPEB Liability - July 1	<u>85,732,588.00</u>	<u>101,283,030.00</u>	<u>107,643,631.00</u>
Total Non-Employer OPEB Liability - June 30	<u>\$ 79,778,677.00</u>	<u>\$ 85,732,588.00</u>	<u>\$ 101,283,030.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 24,039,866.00</u>	<u>\$ 24,749,206.00</u>	<u>\$ 24,856,683.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	331.86%	346.41%	407.47%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Notes to Required Supplementary Information - Part IV
 For the Fiscal Year Ended June 30, 2023

Changes in Benefit Terms:

None.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	3.54%	2019	3.50%
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included update in trend and experience study.

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend is 5.00%.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2023

	McKinney Education Homeless Children	Clayton Model	Clayton Model Carryover	Migrant Education Project PY	Migrant Education Project CY	Education Foundation Grant Respite	Education Foundation Grant Social Skills	Education Foundation Grant Community	Total Carried Forward
REVENUES:									
State Sources									-
Federal Sources	\$ 441,418.78			\$ 550,413.63	\$ 590,869.22				\$ 1,582,701.63
Other Sources		\$ 1,252,974.93	\$ 27,001.07			\$ 5,408.79	\$ 23,845.24	\$ 5,408.79	\$ 1,314,638.82
Total Revenues	441,418.78	1,252,974.93	27,001.07	550,413.63	590,869.22	5,408.79	23,845.24	5,408.79	2,897,340.45
EXPENDITURES:									
Instruction:									
Salaries of Teachers	877.50			54,678.75	59,828.25	5,000.00	21,436.25	5,000.00	146,820.75
Purchased Professional Technical Services									-
Other Purchased Services				116,714.00					116,714.00
General Supplies				499.28	30,640.84		666.99		31,807.11
Other Objects				9,345.00					9,345.00
Total Instruction	877.50	-	-	181,237.03	90,469.09	5,000.00	22,103.24	5,000.00	304,686.86
Support Services:									
Salaries of Other Professional Staff									-
Salaries	274,540.68	594,882.78	7,834.00	234,872.86	219,333.22				1,331,463.54
Employee Benefits	144,477.60	299,674.99	12,040.47	76,857.65	146,182.80	408.79	1,742.00	408.79	681,793.09
Purchased Professional Technical Services		184,286.00							184,286.00
Purchased Professional Services				2,644.44	32,569.36				35,213.80
Purchased Property Services				457.05	23,839.49				24,296.54
Other Purchased Services				22,372.01	42,891.77				65,263.78
Telephone				2,046.76	1,640.85				3,687.61
Travel		1,147.59		2,666.61	4,825.97				8,640.17
Supplies and Materials		62,329.57	4,672.00	2,668.98	8,294.67				77,965.22
Other Objects		110,654.00	2,454.60	2,200.00					115,308.60
Indirect Costs	21,523.00			22,390.24	20,822.00				64,735.24
Miscellaneous Expenditures									-
Student Activities									-
Donations Expenditures									-
Total Support Services	440,541.28	1,252,974.93	27,001.07	369,176.60	500,400.13	408.79	1,742.00	408.79	2,592,653.59
Facilities Acquisition & Construction Services:									
Instructional Equipment									-
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-	-	-	-
Total Expenditures	441,418.78	1,252,974.93	27,001.07	550,413.63	590,869.22	5,408.79	23,845.24	5,408.79	2,897,340.45
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2023

	Total Brought Forward	ARP ESSER III	SDA Emergent Needs	ARP Homeless Children & Youth	NJSIG Grant	School Based Youth Services	Student Activity Fund	Scholarship Fund	Donations Fund	Total
REVENUES:										
State Sources	-		\$ 12,803.00			\$ 308,038.00				\$ 320,841.00
Federal Sources	\$ 1,582,701.63	\$ 211,565.44		\$ 327,981.91						2,122,248.98
Other Sources	<u>1,314,638.82</u>				\$ 14,227.00		\$ 49,277.38	\$ 822.13	\$ 18,214.80	<u>1,397,180.13</u>
Total Revenues	<u>2,897,340.45</u>	<u>211,565.44</u>	<u>12,803.00</u>	<u>327,981.91</u>	<u>14,227.00</u>	<u>308,038.00</u>	<u>49,277.38</u>	<u>822.13</u>	<u>18,214.80</u>	<u>3,840,270.11</u>
EXPENDITURES:										
Instruction:										
Salaries of Teachers	146,820.75	109,207.60		4,536.00						260,564.35
Purchased Professional Technical Services	-			8,939.00						8,939.00
Other Purchased Services	116,714.00			48,774.80						165,488.80
General Supplies	31,807.11			9,118.99						40,926.10
Other Objects	<u>9,345.00</u>									<u>9,345.00</u>
Total Instruction	<u>304,686.86</u>	<u>109,207.60</u>	<u>-</u>	<u>71,368.79</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>485,263.25</u>
Support Services:										
Salaries of Other Professional Staff	-					286,565.43				286,565.43
Salaries	1,331,463.54			15,410.75		193.75				1,347,068.04
Employee Benefits	681,793.09	46,387.84		1,628.25		2,425.82				732,235.00
Purchased Professional Technical Services	184,286.00			399.00	14,227.00					198,912.00
Purchased Professional Services	35,213.80	55,970.00								91,183.80
Purchased Property Services	24,296.54									24,296.54
Other Purchased Services	65,263.78			193,474.69		8,043.00				266,781.47
Telephone	3,687.61			2,905.01						6,592.62
Travel	8,640.17			6,477.70		862.33				15,980.20
Supplies and Materials	77,965.22			21,279.72		1,378.86				100,623.80
Other Objects	115,308.60									115,308.60
Indirect Costs	64,735.24			15,038.00						79,773.24
Miscellaneous Expenditures	-					8,568.81				8,568.81
Student Activities	-						55,113.82			55,113.82
Donations Expenditures	-								9,509.47	9,509.47
Total Support Services	<u>2,592,653.59</u>	<u>102,357.84</u>	<u>-</u>	<u>256,613.12</u>	<u>14,227.00</u>	<u>308,038.00</u>	<u>55,113.82</u>	<u>-</u>	<u>9,509.47</u>	<u>3,338,512.84</u>
Facilities Acquisition & Construction Services:										
Instructional Equipment	-		12,803.00							12,803.00
Total Facilities Acquisition & Construction Services	<u>-</u>	<u>-</u>	<u>12,803.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,803.00</u>
Total Expenditures	<u>2,897,340.45</u>	<u>211,565.44</u>	<u>12,803.00</u>	<u>327,981.91</u>	<u>14,227.00</u>	<u>308,038.00</u>	<u>55,113.82</u>	<u>-</u>	<u>9,509.47</u>	<u>3,836,579.09</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,836.44)</u>	<u>822.13</u>	<u>8,705.33</u>	<u>3,691.02</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,391.59</u>	<u>1,748.39</u>	<u>108,694.04</u>	<u>190,834.02</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,555.15</u>	<u>\$ 2,570.52</u>	<u>\$ 117,399.37</u>	<u>\$ 194,525.04</u>

CAPITAL PROJECTS FUND

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2023

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>	
(a) Bankbridge Regional and Bankbridge Elementary School Renovations	3/3/20	<u>\$ 9,894,513.41</u>	<u>\$ 9,837,288.10</u>	<u>\$ 44,112.34</u>	<u>\$ 13,112.97</u>
Year-End Encumbrances					<u>\$ 13,112.97</u>

GLOUCESTER COUNTY SPECIAL SERVICES 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

Revenues and Other Financing Sources	
County Funds	\$ 1,837.97
Total Revenues and Other Financing Sources	1,837.97
Expenditures and Other Financing Uses	
Construction Services	1,837.97
Total Expenditures and Other Financing Uses	1,837.97
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-
Fund Balance, June 30, 2022	-
Fund Balance, June 30, 2023	\$ -

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES 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

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditure:

Sources / Inflows of Resources:

Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 1,837.97
Differences - Budget to GAAP:	
Budgetary basis accounting differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	
Current Year	(13,112.97)
Prior Year	55,387.34
	55,387.34
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 44,112.34
	44,112.34

Uses / Outflows of Resources:

Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 1,837.97
Differences - Budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	
Current Year	(13,112.97)
Prior Year	55,387.34
	55,387.34
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 44,112.34
	44,112.34

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Bankbridge Regional and Bankbridge Elementary School Renovations
 From Inception and for the Year Ended June 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
County Funds	\$ 9,892,675.44	\$ 1,837.97	\$ 9,894,513.41	\$ 9,894,513.41
Total Revenues and Other Financing Sources	<u>9,892,675.44</u>	<u>1,837.97</u>	<u>9,894,513.41</u>	<u>9,894,513.41</u>
Expenditures and Other Financing Uses				
Legal Services	7,668.00		7,668.00	7,668.00
Purchased Professional and Technical Services	879,242.70		879,242.70	879,242.70
Construction Services	9,003,501.74	1,837.97	9,005,339.71	9,005,339.71
Miscellaneous Expenditures	2,263.00		2,263.00	2,263.00
Total Expenditures and Other Financing Uses	<u>9,892,675.44</u>	<u>1,837.97</u>	<u>9,894,513.41</u>	<u>9,894,513.41</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information

Project Number	1774-015-20-1000 / 1774-X11-20-1000
Grant Date	3/3/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	\$ 6,944,054.00
Additional Authorized Cost	\$ 2,950,459.41
Revised Authorization Cost	\$ 9,894,513.41
Percentage Increase over Original Authorized Cost	42.49%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	12/31/2023

PROPRIETARY FUNDS

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Proprietary Funds
Combined Statement of Net Position
June 30, 2023

	Food Service Fund	Other Enterprise Funds Exhibit G-1a	Total
ASSETS:			
Current Assets:			
Cash & Cash Equivalents	\$ 115,816.37	\$ 8,225,333.54	\$ 8,341,149.91
Intergovernmental Accounts Receivable:			
State	1,073.64		1,073.64
Federal	19,857.74		19,857.74
Other		9,390,350.80	9,390,350.80
Inventories	14,911.96		14,911.96
Total Current Assets	<u>151,659.71</u>	<u>17,615,684.34</u>	<u>17,767,344.05</u>
Noncurrent Assets:			
Capital Assets	114,639.55	1,195,985.75	1,310,625.30
Less Accumulated Depreciation and Amortization	<u>(79,743.79)</u>	<u>(1,083,803.48)</u>	<u>(1,163,547.27)</u>
Total Noncurrent Assets	<u>34,895.76</u>	<u>112,182.27</u>	<u>147,078.03</u>
Total Assets	<u>186,555.47</u>	<u>17,727,866.61</u>	<u>17,914,422.08</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions		<u>662,413.08</u>	<u>662,413.08</u>
LIABILITIES:			
Current Liabilities:			
Cash Deficit		3,194,287.56	3,194,287.56
Accounts Payable		83,695.09	83,695.09
Accounts Payable - Related to Pensions		400,881.74	400,881.74
Accrued Salary and Benefits		<u>411,473.48</u>	<u>411,473.48</u>
Total Current Liabilities	<u>-</u>	<u>4,090,337.87</u>	<u>4,090,337.87</u>
Noncurrent Liabilities:			
Due beyond One Year		<u>5,039,562.78</u>	<u>5,039,562.78</u>
Total Noncurrent Liabilities	<u>-</u>	<u>5,039,562.78</u>	<u>5,039,562.78</u>
Total Liabilities	<u>-</u>	<u>9,129,900.65</u>	<u>9,129,900.65</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions		<u>1,462,237.57</u>	<u>1,462,237.57</u>
NET POSITION:			
Net Investment in Capital Assets	34,895.76	112,182.27	147,078.03
Unrestricted	<u>151,659.71</u>	<u>7,685,959.20</u>	<u>7,837,618.91</u>
Total Net Position	<u>\$ 186,555.47</u>	<u>\$ 7,798,141.47</u>	<u>\$ 7,984,696.94</u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Proprietary Funds
 Other Enterprise Funds
 Combined Statement of Net Position
 June 30, 2023

	<u>CRESS</u>	<u>Non-Public Services</u>	<u>One on One Teachers Assistants</u>	<u>Therapeutic Recreation Program</u>	<u>Auxiliary Services</u>	<u>Cooperative Transportation Project</u>	<u>Employee Assistance Program</u>	<u>Non-public Textbook Publishing</u>	<u>Additional Remedial Services Chapter I</u>	<u>Summer Food Service</u>	<u>Emergency Assistance for Non-Public Schools</u>	<u>Total</u>
ASSETS:												
Current Assets:												
Cash & Cash Equivalents		\$ 452,717.42	\$ 6,303,430.76		\$ 213,574.68		\$ 120,142.29	\$ 104,075.23	\$ 1,031,393.16			\$ 8,225,333.54
Intergovernmental Accounts Receivable:												
Other	\$ 1,195,686.52	561,297.75	1,605,723.40		10,170.00	\$ 5,879,923.00		54.27	116,235.86		\$ 21,260.00	9,390,350.80
Interfund Accounts Receivable												
Total Current Assets	<u>1,195,686.52</u>	<u>1,014,015.17</u>	<u>7,909,154.16</u>	<u>-</u>	<u>223,744.68</u>	<u>5,879,923.00</u>	<u>120,142.29</u>	<u>104,129.50</u>	<u>1,147,629.02</u>	<u>-</u>	<u>21,260.00</u>	<u>17,615,684.34</u>
Noncurrent Assets:												
Capital Assets	246,682.22	750,786.40		\$ 2,140.83		196,376.30						1,195,985.75
Less Accumulated Depreciation and Amortization	<u>(232,078.00)</u>	<u>(692,062.14)</u>		<u>(2,140.83)</u>		<u>(157,522.51)</u>						<u>(1,083,803.48)</u>
Total Noncurrent Assets	<u>14,604.22</u>	<u>58,724.26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,853.79</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,182.27</u>
Total Assets	<u>1,210,290.74</u>	<u>1,072,739.43</u>	<u>7,909,154.16</u>	<u>-</u>	<u>223,744.68</u>	<u>5,918,776.79</u>	<u>120,142.29</u>	<u>104,129.50</u>	<u>1,147,629.02</u>	<u>-</u>	<u>21,260.00</u>	<u>17,727,866.61</u>
DEFERRED OUTFLOWS OF RESOURCES:												
Related to Pensions	<u>58,935.33</u>	<u>56,372.94</u>	<u>481,732.32</u>			<u>53,913.03</u>			<u>11,459.46</u>			<u>662,413.08</u>
LIABILITIES:												
Current Liabilities:												
Cash Deficit	2,020,835.36			14,631.69		1,135,874.08				\$ 8,428.37	14,518.06	3,194,287.56
Accounts Payable	5,367.84	2,146.32	61,053.32		1,103.41	1,027.08	12,362.00		635.12			83,695.09
Accounts Payable - Related to Pension	35,745.40	34,191.26	292,179.82			32,699.27			6,065.99			400,881.74
Accrued Salary and Benefits	<u>163,000.39</u>	<u>25,013.72</u>	<u>214,044.92</u>						<u>9,414.45</u>			<u>411,473.48</u>
Total Current Liabilities	<u>2,224,948.99</u>	<u>61,351.30</u>	<u>567,278.06</u>	<u>14,631.69</u>	<u>1,103.41</u>	<u>1,169,600.43</u>	<u>12,362.00</u>	<u>-</u>	<u>16,115.56</u>	<u>8,428.37</u>	<u>14,518.06</u>	<u>4,090,337.87</u>
Noncurrent Liabilities:												
Due beyond One Year	<u>448,504.88</u>	<u>429,004.66</u>	<u>3,666,039.87</u>			<u>410,284.47</u>			<u>85,728.90</u>			<u>5,039,562.78</u>
Total Noncurrent Liabilities	<u>448,504.88</u>	<u>429,004.66</u>	<u>3,666,039.87</u>	<u>-</u>	<u>-</u>	<u>410,284.47</u>	<u>-</u>	<u>-</u>	<u>85,728.90</u>	<u>-</u>	<u>-</u>	<u>5,039,562.78</u>
Total Liabilities	<u>2,673,453.87</u>	<u>490,355.96</u>	<u>4,233,317.93</u>	<u>14,631.69</u>	<u>1,103.41</u>	<u>1,579,884.90</u>	<u>12,362.00</u>	<u>-</u>	<u>101,844.46</u>	<u>8,428.37</u>	<u>14,518.06</u>	<u>9,129,900.65</u>
DEFERRED INFLOWS OF RESOURCES:												
Related to Pensions	<u>131,654.26</u>	<u>125,932.37</u>	<u>1,076,140.18</u>			<u>120,436.96</u>			<u>8,073.80</u>			<u>1,462,237.57</u>
NET POSITION:												
Net Investment in Capital Assets	14,604.22	58,724.26				38,853.79						112,182.27
Unrestricted (Deficit)	<u>(1,550,486.26)</u>	<u>454,099.78</u>	<u>3,081,428.37</u>	<u>(14,631.69)</u>	<u>222,641.27</u>	<u>4,233,514.17</u>	<u>107,780.29</u>	<u>104,129.50</u>	<u>1,049,170.22</u>	<u>(8,428.37)</u>	<u>6,741.94</u>	<u>7,685,959.20</u>
Total Net Position (Deficit)	<u>\$ (1,535,882.06)</u>	<u>\$ 512,824.04</u>	<u>\$ 3,081,428.37</u>	<u>\$ (14,631.69)</u>	<u>\$ 222,641.27</u>	<u>\$ 4,272,367.96</u>	<u>\$ 107,780.29</u>	<u>\$ 104,129.50</u>	<u>\$ 1,049,170.22</u>	<u>\$ (8,428.37)</u>	<u>\$ 6,741.94</u>	<u>\$ 7,798,141.47</u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Proprietary Funds
 Combined Statement of Revenues, Expenses, and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2023

	Food Service Fund	Other Enterprise Funds Exhibit G-2a	Total
OPERATING REVENUES:			
Local Sources			
Daily Sales - Reimbursable Programs	\$ 147,323.50		\$ 147,323.50
Fees for Services	30,758.82	\$ 43,439,644.57	43,470,403.39
	<u>178,082.32</u>	<u>43,439,644.57</u>	<u>43,617,726.89</u>
Total Operating Revenues	178,082.32	43,439,644.57	43,617,726.89
OPERATING EXPENSES:			
Cost of Goods Sold - Reimbursable Programs	155,719.38		155,719.38
Cost of Goods Sold - Non-Reimbursable Programs	73,941.21		73,941.21
Salaries		13,598,649.98	13,598,649.98
Employee Benefits		4,226,144.79	4,226,144.79
Purchased Professional/Educational Services		610,987.54	610,987.54
Purchased Professional/Professional Services		26,276.50	26,276.50
Purchased Professional/Technical Services	2,658.50	357,555.08	360,213.58
Purchased Professional/Shared Services		50,000.00	50,000.00
Other Purchased Services	283,399.67	20,803,871.40	21,087,271.07
Contracted Services	30,780.00		30,780.00
Commercial Liability		1,396.26	1,396.26
Utilities		14,241.04	14,241.04
Travel		24,180.79	24,180.79
Supplies and Materials	174.10	205,007.28	205,181.38
Textbooks		106,812.21	106,812.21
Miscellaneous Expenditures		1,228.01	1,228.01
Rentals	385.85	25,791.68	26,177.53
Other Objects	28,883.60	5,214.48	34,098.08
Pension Expense (Benefit)		(3,430,622.32)	(3,430,622.32)
Depreciation and Amortization	7,830.62	69,500.10	77,330.72
	<u>583,772.93</u>	<u>36,696,234.82</u>	<u>37,280,007.75</u>
Total Operating Expenses	583,772.93	36,696,234.82	37,280,007.75
Operating Income (Loss)	(405,690.61)	6,743,409.75	6,337,719.14

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Proprietary Funds
 Combined Statement of Revenues, Expenses, and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2023

	Food Service Fund	Other Enterprise Funds Exhibit G-2a	Total
NONOPERATING REVENUES (EXPENSES):			
State Source:			
State School Lunch Program	\$ 6,909.45		\$ 6,909.45
State School Breakfast Program	8,509.50		8,509.50
Federal Source:			
National School Lunch Program	184,685.03		184,685.03
National School Breakfast Program	102,327.59		102,327.59
Supply Chain Assistance	38,002.46		38,002.46
Food Distribution Program	53,929.77		53,929.77
Interest on Long-Term Debt		\$ (118.34)	(118.34)
Total Nonoperating Revenues (Expenses)	<u>394,363.80</u>	<u>(118.34)</u>	<u>394,245.46</u>
Change in Net Position	(11,326.81)	\$ 6,743,291.41	6,731,964.60
Net Position -- July 1	<u>197,882.28</u>	<u>1,054,850.06</u>	<u>1,252,732.34</u>
Net Position -- June 30	<u>\$ 186,555.47</u>	<u>\$ 7,798,141.47</u>	<u>\$ 7,984,696.94</u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Proprietary Funds
 Other Enterprise Funds
 Combined Statement of Revenues, Expenses, and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2023

OPERATING REVENUES:	<u>CRESS</u>	<u>Non-Public Services</u>	<u>One on One Teachers Assistants</u>	<u>Therapeutic Recreation Program</u>	<u>Auxiliary Services</u>	<u>Cooperative Transportation Project</u>	<u>Total Carried Forward</u>
Local Sources							
Fees for Services	\$ 6,092,335.63	\$ 2,036,318.42	\$ 12,255,048.51		\$ 116,460.00	\$ 22,228,695.84	\$ 42,728,858.40
Total Operating Revenues	<u>6,092,335.63</u>	<u>2,036,318.42</u>	<u>12,255,048.51</u>	<u>-</u>	<u>116,460.00</u>	<u>22,228,695.84</u>	<u>42,728,858.40</u>
OPERATING EXPENSES:							
Salaries	4,591,711.91	1,400,585.35	7,015,211.58		54,785.00	192,127.25	13,254,421.09
Employee Benefits	1,282,069.16	332,372.29	2,407,994.95		5,078.00	123,474.17	4,150,988.57
Purchased Professional Educational Services	2,688.79	3,825.99	598,872.76				605,387.54
Purchased Professional/Professional Services	400.00	890.00				262.50	1,552.50
Purchased Professional Technical Services	7,681.60	9,845.07	337,055.14			2,973.27	357,555.08
Purchased Professional Shared Services						50,000.00	50,000.00
Other Purchased Services	400.00	13,851.44				20,789,619.96	20,803,871.40
Commercial Liability Insurance	650.00	746.26					1,396.26
Utilities	8,227.26	4,328.78				1,685.00	14,241.04
Travel	23,000.54	662.84				196.64	23,860.02
Supplies and Materials	566.04	89,741.67				1,573.74	91,881.45
Textbooks		105,263.71					105,263.71
Miscellaneous Expenditures	1,228.01						1,228.01
Rentals	15,000.00	1,337.06				5,997.85	22,334.91
Other Objects	4,749.48					465.00	5,214.48
GASB 68 Pension Expense (Benefit)	(666,114.10)	(7,676.82)	(2,672,097.15)			(59,368.29)	(3,405,256.36)
Depreciation and Amortization	41,736.06	11,742.12				16,021.92	69,500.10
Total Operating Expenses	<u>5,313,994.75</u>	<u>1,967,515.76</u>	<u>7,687,037.28</u>	<u>-</u>	<u>59,863.00</u>	<u>21,125,029.01</u>	<u>36,153,439.80</u>
Operating Income (Loss)	<u>778,340.88</u>	<u>68,802.66</u>	<u>4,568,011.23</u>	<u>-</u>	<u>56,597.00</u>	<u>1,103,666.83</u>	<u>6,575,418.60</u>
NONOPERATING REVENUES (EXPENSES):							
Interest on Long-Term Debt	(118.34)						(118.34)
Total Nonoperating Revenues (Expenses)	<u>(118.34)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(118.34)</u>
Change in Net Position	<u>778,222.54</u>	<u>68,802.66</u>	<u>4,568,011.23</u>	<u>-</u>	<u>56,597.00</u>	<u>1,103,666.83</u>	<u>6,575,300.26</u>
Net Position (Deficit) -- July 1	<u>(2,314,104.60)</u>	<u>444,021.38</u>	<u>(1,486,582.86)</u>	<u>\$ (14,631.69)</u>	<u>166,044.27</u>	<u>3,168,701.13</u>	<u>(36,552.37)</u>
Net Position (Deficit) -- June 30	<u>\$ (1,535,882.06)</u>	<u>\$ 512,824.04</u>	<u>\$ 3,081,428.37</u>	<u>\$ (14,631.69)</u>	<u>\$ 222,641.27</u>	<u>\$ 4,272,367.96</u>	<u>\$ 6,538,747.89</u>

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Proprietary Funds
Other Enterprise Funds
Combined Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

OPERATING REVENUES:	Total Brought Forward	Employee Assistance Program	Non-Public Textbook Publishing	Additional Remedial Services Chapter I	Summer Food Service	Emergency Assistance for Non-Public Schools	Total
Local Sources							
Fees for Services	\$ 42,728,858.40	\$ 26,491.50	\$ 10,526.36	\$ 539,519.31		\$ 134,249.00	\$ 43,439,644.57
Total Operating Revenues	42,728,858.40	26,491.50	10,526.36	539,519.31	-	134,249.00	43,439,644.57
OPERATING EXPENSES:							
Salaries	13,254,421.09		4,729.44	317,470.70		22,028.75	13,598,649.98
Employee Benefits	4,150,988.57		1,321.84	72,009.21		1,825.17	4,226,144.79
Purchased Professional Educational Services	605,387.54					5,600.00	610,987.54
Purchased Professional/Professional Services	1,552.50	24,724.00					26,276.50
Purchased Professional Technical Services	357,555.08						357,555.08
Purchased Professional Shared Services	50,000.00						50,000.00
Other Purchased Services	20,803,871.40						20,803,871.40
Commercial Liability Insurance	1,396.26						1,396.26
Utilities	14,241.04						14,241.04
Travel	23,860.02			320.77			24,180.79
Supplies and Materials	91,881.45			779.65		112,346.18	205,007.28
Textbooks	105,263.71		1,548.50				106,812.21
Miscellaneous Expenditures	1,228.01						1,228.01
Rentals	22,334.91			3,456.77			25,791.68
Other Objects	5,214.48						5,214.48
	(3,405,256.36)			(25,365.96)			(3,430,622.32)
Depreciation and Amortization	69,500.10						69,500.10
Total Operating Expenses	36,153,439.80	24,724.00	7,599.78	368,671.14	-	141,800.10	36,696,234.82
Operating Gain/ (Loss)	6,575,418.60	1,767.50	2,926.58	170,848.17	-	(7,551.10)	6,743,409.75
NONOPERATING REVENUES (EXPENSES):							
Interest on Long-Term Debt	(118.34)						(118.34)
Total Nonoperating Revenues (Expenses)	(118.34)	-	-	-	-	-	(118.34)
Change in Net Position	6,575,300.26	1,767.50	2,926.58	170,848.17	-	(7,551.10)	6,743,291.41
Net Position (Deficit) -- June 30	(36,552.37)	106,012.79	101,202.92	878,322.05	\$ (8,428.37)	14,293.04	1,054,850.06
Net Position (Deficit) -- June 30	\$ 6,538,747.89	\$ 107,780.29	\$ 104,129.50	\$ 1,049,170.22	\$ (8,428.37)	\$ 6,741.94	\$ 7,798,141.47

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Proprietary Funds
Combined Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	Food Service Fund	Other Enterprise Funds Exhibit G-3a	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 178,082.32	\$ 40,028,336.51	\$ 40,206,418.83
Payments to Employees		(13,187,176.50)	(13,187,176.50)
Payments for Employee Benefits		(4,226,144.79)	(4,226,144.79)
Payments to Vendors	(524,714.15)	(22,251,612.74)	(22,776,326.89)
Net Cash Provided by (used for) Operating Activities	<u>(346,631.83)</u>	<u>363,402.48</u>	<u>16,770.65</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Cash Received from State & Federal Reimbursements	<u>350,680.51</u>		<u>350,680.51</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Lease Liability Payments		(37,277.88)	(37,277.88)
Interest on Lease Liability		(118.34)	(118.34)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>-</u>	<u>(37,396.22)</u>	<u>(37,396.22)</u>
Net Increase in Cash and Cash Equivalents	4,048.68	326,006.26	330,054.94
Cash and Cash Equivalents -- July 1	<u>111,767.69</u>	<u>4,705,039.72</u>	<u>4,816,807.41</u>
Cash and Cash Equivalents -- June 30	<u>\$ 115,816.37</u>	<u>\$ 5,031,045.98</u>	<u>\$ 5,146,862.35</u>
<u>Analysis of Cash Balance at June 30</u>			
Cash and Equivalents	\$ 115,816.37	\$ 8,225,333.54	\$ 8,341,149.91
Cash Deficit	-	(3,194,287.56)	(3,194,287.56)
	<u>\$ 115,816.37</u>	<u>\$ 5,031,045.98</u>	<u>\$ 5,146,862.35</u>
Reconciliation of Operating Income (Loss) to Net Cash			
Provided by (used for) Operating Activities:			
Operating Income (Loss)	\$ (405,690.61)	\$ 6,743,409.75	\$ 6,337,719.14
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash provided by (used for) Operating Activities:			
Depreciation and Amortization	7,830.62	69,500.10	77,330.72
GASB 68 Pension Adjustments		(3,430,622.32)	(3,430,622.32)
Food Distribution Program	53,929.77		53,929.77
Change in Assets & Liabilities:			
(Increase) Decrease in Other Accounts Receivable		(3,411,308.06)	(3,411,308.06)
(Increase) Decrease in Inventory	(2,701.61)		(2,701.61)
Increase (Decrease) in Accounts Payable		(19,050.47)	(19,050.47)
Increase (Decrease) in Accrued Salaries and Benefits		411,473.48	411,473.48
Net Cash Provided by (used for) Operating Activities	<u>\$ (346,631.83)</u>	<u>\$ 363,402.48</u>	<u>\$ 16,770.65</u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Proprietary Funds
 Other Enterprise Funds
 Combined Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2023

	<u>CRESS</u>	<u>Non-Public Services</u>	<u>One on One Teachers Assistants</u>	<u>Therapeutic Recreation Program</u>	<u>Auxiliary Services</u>	<u>Cooperative Transportation Project</u>	<u>Employee Assistance Program</u>	<u>Non-Public Textbook Publishing</u>	<u>Additional Remedial Services Chapter I</u>	<u>Summer Food Service</u>	<u>Emergency Assistance for Non-Public Schools</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:												
Receipts from Customers	\$ 6,014,393.91	\$ 2,003,894.12	\$ 11,924,075.51		\$ 109,770.00	\$ 19,308,413.52	\$ 26,491.50	\$ 22,687.37	\$ 502,456.58		\$ 116,154.00	\$ 40,028,336.51
Payments to Employees	(4,428,711.52)	(1,375,571.63)	(6,801,166.66)		(54,785.00)	(192,127.25)		(4,729.44)	(308,056.25)		(22,028.75)	(13,187,176.50)
Payments for Employee Benefits	(1,282,069.16)	(332,372.29)	(2,407,994.95)		(5,078.00)	(123,474.17)		(1,321.84)	(72,009.21)		(1,825.17)	(4,226,144.79)
Payments to Suppliers	(103,725.51)	(234,767.08)	(874,874.58)		457.51	(20,902,813.81)	(12,362.00)	(1,548.50)	(3,968.00)		(118,010.77)	(22,251,612.74)
Net Cash Provided by (used for) Operating Activities	<u>199,887.72</u>	<u>61,183.12</u>	<u>1,840,039.32</u>	<u>-</u>	<u>50,364.51</u>	<u>(1,910,001.71)</u>	<u>14,129.50</u>	<u>15,087.59</u>	<u>118,423.12</u>	<u>-</u>	<u>(25,710.69)</u>	<u>363,402.48</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:												
Lease Liability Payments	(37,277.88)											(37,277.88)
Interest on Lease Liability	(118.34)											(118.34)
Net Cash (used for) Capital and Related Financing Activities	<u>(37,396.22)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,396.22)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	162,491.50	61,183.12	1,840,039.32	-	50,364.51	(1,910,001.71)	14,129.50	15,087.59	118,423.12	-	(25,710.69)	326,006.26
Cash and Cash Equivalents -- July 1	(2,183,326.86)	391,534.30	4,463,391.44	\$ (14,631.69)	163,210.17	774,127.63	106,012.79	88,987.64	912,970.04	\$ (8,428.37)	11,192.63	4,705,039.72
Cash and Cash Equivalents -- June 30	<u>\$ (2,020,835.36)</u>	<u>\$ 452,717.42</u>	<u>\$ 6,303,430.76</u>	<u>\$ (14,631.69)</u>	<u>\$ 213,574.68</u>	<u>\$ (1,135,874.08)</u>	<u>\$ 120,142.29</u>	<u>\$ 104,075.23</u>	<u>\$ 1,031,393.16</u>	<u>\$ (8,428.37)</u>	<u>\$ (14,518.06)</u>	<u>\$ 5,031,045.98</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:												
Operating Income (Loss)	\$ 778,340.88	\$ 68,802.66	\$ 4,568,011.23	\$ -	\$ 56,597.00	\$ 1,103,666.83	\$ 1,767.50	\$ 2,926.58	\$ 170,848.17	\$ -	\$ (7,551.10)	\$ 6,743,409.75
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (used for) Operating Activities:												
Depreciation and Amortization	41,736.06	11,742.12				16,021.92						69,500.10
GASB 68 Pension Adjustments	(666,114.10)	(7,676.82)	(2,672,097.15)			(59,368.29)			(25,365.96)			(3,430,622.32)
Changes in Assets and Liabilities:												
(Increase) Decrease in Accounts Receivable	(77,941.72)	(32,424.30)	(330,973.00)		(6,690.00)	(2,920,282.32)		12,161.01	(37,062.73)		(18,095.00)	(3,411,308.06)
Increase (Decrease) in Accounts Payable	(39,133.79)	(4,274.26)	61,053.32		457.51	(50,039.85)	12,362.00		589.19		(64.59)	(19,050.47)
Increase (Decrease) in Accrued Salaries and Benefits	163,000.39	25,013.72	214,044.92						9,414.45			411,473.48
Net Cash Provided by (used for) Operating Activities	<u>\$ 199,887.72</u>	<u>\$ 61,183.12</u>	<u>\$ 1,840,039.32</u>	<u>\$ -</u>	<u>\$ 50,364.51</u>	<u>\$ (1,910,001.71)</u>	<u>\$ 14,129.50</u>	<u>\$ 15,087.59</u>	<u>\$ 118,423.12</u>	<u>\$ -</u>	<u>\$ (25,710.69)</u>	<u>\$ 363,402.48</u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Internal Service Fund
Statement of Net Position
June 30, 2023

	<u>Shared Services</u>
ASSETS:	
Cash & Cash Equivalents	\$ 11,106.00
Total Assets	<u>11,106.00</u>
LIABILITIES:	
Accrued Salaries	<u>11,106.00</u>
Total Liabilities	<u>11,106.00</u>
NET POSITION:	
Unrestricted	<u>-</u>
Total Net Position	<u>\$ -</u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Internal Service Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	<u>Shared Services</u>
OPERATING REVENUES:	
Charges for Services	<u>\$ 2,095,413.14</u>
Total Operating Revenues	<u>2,095,413.14</u>
OPERATING EXPENSES:	
Salaries	<u>2,095,413.14</u>
Total Operating Expenses	<u>2,095,413.14</u>
Operating Income (Loss)	<u>-</u>
Change in Net Position	-
Net Position -- July 1	<u>-</u>
Net Position -- June 30	<u><u>\$ -</u></u>

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Internal Service Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	<u>Shared Services</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers and Other Funds	\$ 2,095,413.14
Payments to Employees	<u>(2,095,413.14)</u>
Net Cash Provided by Operating Activities	<u>-</u>
Net Increase in Cash and Cash Equivalents	-
Cash and Cash Equivalents -- July 1	<u>-</u>
Cash and Cash Equivalents -- June 30	<u>\$ -</u>
<u>Analysis of Cash Balance at June 30</u>	
Cash and Cash Equivalents	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	<u>\$ -</u>
Net Cash Provided by Operating Activities	<u>\$ -</u>

LONG-TERM DEBT

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2023

Description	Date of Lease	Term of Lease	Amount of Original Issue		Interest Rate Payable	Balance July 1, 2022	Additions Current Year	Reductions Current Year	Balance June 30, 2023
			Principal	Interest					
Ricoh Copiers	9/1/2020	5 Years	\$ 382,731.29	\$ 29,899.51	3.00%	\$ 249,006.86		\$ (76,096.62)	\$ 172,910.24
Hewlett-Packard Financial Services	8/31/2020	3 Years	396,905.18	11,788.12	3.00%	132,263.20		(132,263.20)	-
Hewlett-Packard Financial Services	7/1/2021	3 Years	581,544.05	17,271.91	3.00%	381,938.73		(188,147.16)	193,791.57
						<u>\$ 763,208.79</u>	<u>\$ -</u>	<u>\$ (396,506.98)</u>	<u>\$ 366,701.81</u>
					Governmental Activities	\$ 725,930.91		\$ (359,229.10)	\$ 366,701.81
					Business Activities	37,277.88		(37,277.88)	
						<u>\$ 763,208.79</u>	<u>\$ -</u>	<u>\$ (396,506.98)</u>	<u>\$ 366,701.81</u>

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities										
Net Investment in Capital Assets	\$ 34,214,729.76	\$ 34,858,101.81	\$ 34,389,729.62	\$ 29,274,937.68	\$ 27,107,865.10	\$ 27,773,313.09	\$ 28,525,619.26	\$ 29,337,277.76	\$ 30,015,884.18	\$ 30,708,223.97
Restricted	737,486.98	728,245.56	750,306.80	756,339.65	536,446.00	536,444.00	536,442.00	536,440.00	628,653.00	628,651.00
Unrestricted (Deficit)	<u>(11,921,038.09)</u>	<u>(14,267,396.31)</u>	<u>(15,414,450.24)</u>	<u>(15,583,483.52)</u>	<u>(17,585,333.07)</u>	<u>(16,166,945.50)</u>	<u>(14,731,249.40)</u>	<u>(12,835,372.25)</u>	<u>(24,112,249.65)</u>	<u>4,925,761.43</u>
Total Governmental Activities Net Position	<u>\$ 23,031,178.65</u>	<u>\$ 21,318,951.06</u>	<u>\$ 19,725,586.18</u>	<u>\$ 14,447,793.81</u>	<u>\$ 10,058,978.03</u>	<u>\$ 12,142,811.59</u>	<u>\$ 14,330,811.86</u>	<u>\$ 17,038,345.51</u>	<u>\$ 6,532,287.53</u>	<u>\$ 36,262,636.40</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 147,078.03	\$ 187,131.27	\$ 213,144.48	\$ 262,853.38	\$ 296,397.33	\$ 343,673.03	\$ 383,178.25	\$ 367,463.06	\$ 409,441.10	\$ 278,367.85
Unrestricted (Deficit)	<u>7,837,618.91</u>	<u>1,065,601.07</u>	<u>(4,204,456.40)</u>	<u>(5,783,932.82)</u>	<u>(4,559,753.40)</u>	<u>(5,479,784.96)</u>	<u>(4,938,272.43)</u>	<u>(1,755,467.64)</u>	<u>11,363,566.15</u>	<u>10,893,610.92</u>
Total Business-type Activities Net Position (Deficit)	<u>\$ 7,984,696.94</u>	<u>\$ 1,252,732.34</u>	<u>\$ (3,991,311.92)</u>	<u>\$ (5,521,079.44)</u>	<u>\$ (4,263,356.07)</u>	<u>\$ (5,136,111.93)</u>	<u>\$ (4,555,094.18)</u>	<u>\$ (1,388,004.58)</u>	<u>\$ 11,773,007.25</u>	<u>\$ 11,171,978.77</u>
District-wide										
Net Investment in Capital Assets	\$ 34,361,807.79	\$ 35,045,233.08	\$ 34,602,874.10	\$ 29,537,791.06	\$ 27,404,262.43	\$ 28,116,986.12	\$ 28,908,797.51	\$ 29,704,740.82	\$ 30,425,325.28	\$ 30,986,591.82
Restricted	737,486.98	728,245.56	750,306.80	5,078,997.49	536,446.00	536,444.00	536,442.00	536,440.00	628,653.00	628,651.00
Unrestricted (Deficit)	<u>(4,083,419.18)</u>	<u>(13,201,795.24)</u>	<u>(19,618,906.64)</u>	<u>(21,367,416.34)</u>	<u>(22,145,086.47)</u>	<u>(21,646,730.46)</u>	<u>(19,669,521.83)</u>	<u>(14,590,839.89)</u>	<u>(12,748,683.50)</u>	<u>15,819,372.35</u>
Total District-wide Net Position	<u>\$ 31,015,875.59</u>	<u>\$ 22,571,683.40</u>	<u>\$ 15,734,274.26</u>	<u>\$ 13,249,372.21</u>	<u>\$ 5,795,621.96</u>	<u>\$ 7,006,699.66</u>	<u>\$ 9,775,717.68</u>	<u>\$ 15,650,340.93</u>	<u>\$ 18,305,294.78</u>	<u>\$ 47,434,615.17</u>

NOTES:

- (1) Source: ACFR Exhibit A-1
- (2) Amounts for the years 2023 through 2015 include the Implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68.
- (3) Amounts for 2023 through 2017 include the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- (4) Amount for 2023 through 2021 includes the implementation of Governmental Accounting Standards Board- Statement No. 84, *Fiduciary Activities*.
- (5) Amount for 2023 through 2022 includes the implementation of Governmental Accounting Standards Board- Statement No. 87, *Leases*.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental Activities										
Instruction										
Special Education	\$ 11,877,936.30	\$ 11,500,892.07	\$ 10,897,892.57	\$ 11,231,121.97	\$ 11,571,368.12	\$ 11,789,476.06	\$ 11,737,976.69	\$ 12,090,005.76	\$ 11,874,779.37	\$ 11,187,859.01
Other Special Education	82,764.00	74,592.00	73,246.00	87,241.00	91,908.96	405,434.42	387,381.49	395,769.57	403,498.13	430,371.71
Support Services:										
Student & Instruction Related Services	7,888,032.99	7,015,779.44	6,447,681.45	7,160,618.90	7,489,863.11	7,032,416.85	7,124,019.79	6,827,578.96	6,476,707.98	6,677,309.69
General Administrative Services	329,255.36	345,797.86	297,929.54	314,893.08	309,426.04	320,648.71	369,090.64	329,968.60	297,506.18	295,150.54
School Administrative Services	1,423,568.36	1,300,580.05	1,299,418.17	1,284,723.70	1,409,149.79	1,477,772.54	1,554,274.98	1,465,680.76	1,394,016.43	1,345,315.87
Central Services	2,621,412.65	2,394,773.90	2,295,109.13	2,816,305.74	2,106,063.07	2,141,938.93	2,118,638.77	2,275,353.09	2,332,634.10	2,358,550.74
Plant Operations and Maintenance	3,060,861.99	3,046,471.78	2,683,686.15	2,468,994.13	2,947,099.46	3,033,161.09	3,023,812.77	3,028,317.51	2,944,427.16	2,984,850.74
Pupil Transportation	59,295.12	50,334.68	26,479.12	39,583.47	32,044.61	53,293.77	60,222.03	72,346.45	66,096.07	56,095.79
Unallocated Benefits	14,236,281.05	18,050,210.19	18,427,786.25	15,262,566.22	19,866,856.50	24,482,665.65	19,529,372.11	15,652,129.80	13,858,030.29	9,902,108.80
Capital Outlay									4,949.71	1,009,415.12
Interest on Long-Term Debt	21,737.26	15,384.48								
Unallocated Depreciation and Amortization	370,217.06	491,007.70	249,831.15	274,704.53	271,981.49	305,783.72	305,783.72	302,460.35	301,875.27	301,592.27
Total Governmental Activities Expenses	<u>41,971,362.14</u>	<u>44,285,824.15</u>	<u>42,699,059.53</u>	<u>40,920,752.74</u>	<u>46,095,761.15</u>	<u>51,042,591.74</u>	<u>46,210,572.99</u>	<u>42,439,610.85</u>	<u>39,954,520.69</u>	<u>36,548,620.28</u>
Business-type Activities:										
Food Service	583,772.93	506,635.57	395,173.37	395,648.91	474,322.94	473,897.71	499,728.57	496,994.50	482,224.27	483,136.88
Enterprise Other	36,696,353.16	26,797,132.72	21,069,906.44	33,134,754.90	31,471,843.70	30,591,676.16	32,199,627.32	29,197,131.40	28,210,660.46	27,319,525.58
Total Business-type Activities Expense	<u>37,280,126.09</u>	<u>27,303,768.29</u>	<u>21,465,079.81</u>	<u>33,530,403.81</u>	<u>31,946,166.64</u>	<u>31,065,573.87</u>	<u>32,699,355.89</u>	<u>29,694,125.90</u>	<u>28,692,884.73</u>	<u>27,802,662.46</u>
Total District Expenses	<u>\$ 79,251,488.23</u>	<u>\$ 71,589,592.44</u>	<u>\$ 64,164,139.34</u>	<u>\$ 74,451,156.55</u>	<u>\$ 78,041,927.79</u>	<u>\$ 82,108,165.61</u>	<u>\$ 78,909,928.88</u>	<u>\$ 72,133,736.75</u>	<u>\$ 68,647,405.42</u>	<u>\$ 64,351,282.74</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
Business and Other Support Services	\$ 2,163,727.45	\$ 2,188,790.73	\$ 2,071,351.76	\$ 2,568,170.74	\$ 1,856,907.90	\$ 1,784,700.10	\$ 1,793,824.69	\$ 1,874,703.52	\$ 1,794,376.71	\$ 1,811,103.08
Operating Grants and Contributions	11,566,675.48	14,792,982.63	12,749,037.46	12,010,634.33	14,245,659.19	18,343,073.89	12,328,546.03	9,695,587.43	8,003,311.33	4,546,100.82
Total Governmental Activities Program Revenues	<u>13,730,402.93</u>	<u>16,981,773.36</u>	<u>14,820,389.22</u>	<u>14,578,805.07</u>	<u>16,102,567.09</u>	<u>20,127,773.99</u>	<u>14,122,370.72</u>	<u>11,570,290.95</u>	<u>9,797,688.04</u>	<u>6,357,203.90</u>
Business-type activities:										
Charges for services:										
Food Service	178,082.32	58,241.94	64,412.63	121,751.41	198,066.41	191,640.00	195,290.35	180,290.83	185,216.42	230,321.43
Enterprise Other	43,439,644.57	31,960,796.23	22,254,991.30	31,901,984.14	31,960,448.82	29,891,582.14	29,159,177.85	28,037,584.52	28,778,685.35	27,185,292.77
Operating Grants and Contributions	394,363.80	528,774.38	390,443.40	248,944.89	280,211.92	306,333.98	334,323.64	334,947.04	334,569.92	383,205.30
Total Business-type Activities Program Revenues	<u>44,012,090.69</u>	<u>32,547,812.55</u>	<u>22,709,847.33</u>	<u>32,272,680.44</u>	<u>32,438,727.15</u>	<u>30,389,556.12</u>	<u>29,688,791.84</u>	<u>28,552,822.39</u>	<u>29,298,471.69</u>	<u>27,798,819.50</u>
Total District Program Revenues	<u>\$ 57,742,493.62</u>	<u>\$ 49,529,585.91</u>	<u>\$ 37,530,236.55</u>	<u>\$ 46,851,485.51</u>	<u>\$ 48,541,294.24</u>	<u>\$ 50,517,330.11</u>	<u>\$ 43,811,162.56</u>	<u>\$ 40,123,113.34</u>	<u>\$ 39,096,159.73</u>	<u>\$ 34,156,023.40</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (28,240,959.21)	\$ (27,304,050.79)	\$ (27,878,670.31)	\$ (26,341,947.67)	\$ (29,993,194.06)	\$ (30,914,817.75)	\$ (32,088,202.27)	\$ (30,156,832.65)	\$ (30,156,832.65)	\$ (30,191,416.38)
Business-type Activities	6,731,964.60	5,244,044.26	1,244,767.52	(1,257,723.37)	492,560.51	(676,017.75)	(3,010,564.05)	605,586.96	605,586.96	(3,842.96)
Total District-wide Net Expense	<u>\$ (21,508,994.61)</u>	<u>\$ (22,060,006.53)</u>	<u>\$ (26,633,902.79)</u>	<u>\$ (27,599,671.04)</u>	<u>\$ (29,500,633.55)</u>	<u>\$ (31,590,835.50)</u>	<u>\$ (35,098,766.32)</u>	<u>\$ (29,551,245.69)</u>	<u>\$ (29,551,245.69)</u>	<u>\$ (30,195,259.34)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
County Appropriation	\$ 2,419,112.34	\$ 3,452,950.23	\$ 7,928,467.92	\$ 8,523,419.44	\$ 800,000.00	\$ 618,078.00	\$ 563,078.00	\$ 563,078.00	\$ 563,078.00	\$ 1,319,113.00
Tuition - LEA's	25,690,140.00	24,192,955.00	24,390,681.63	25,308,838.01	26,129,199.85	26,705,432.00	27,122,568.41	26,860,682.04	27,137,777.50	26,749,575.88
Nonresident Fees	897,920.00	811,050.00	814,384.00	828,707.00	821,114.64	986,298.10	1,011,394.88	1,046,105.95	1,083,782.16	1,096,776.72
Federal and State Aid Not Restricted	317,376.00	170,784.00	116,973.35	37,057.07	62,580.28	64,720.35	63,355.45	83,321.25	269,275.95	13,833.09
Federal, State and Local Aid Restricted	12,803.00	11,886.71	1,875.00							
Miscellaneous Income	748,495.99	269,739.16	189,080.88	355,399.77	356,661.28	291,769.03	624,349.21	794,839.02	339,797.34	631,512.38
Other Items:										
Cancellation of Prior Year Receivable									(2,655.76)	(2,479.51)
Adjustment of Prior Period Tuition Revenue	(132,622.19)							(3,762.48)	(1,460.62)	
Transfers			(285,000.00)		(380,195.35)				2,644.84	0.37
Refund of Capital Outlay Expenditures								0.02		
Gain / (Loss) on Disposal of Capital Assets	(38.34)	(11,949.43)					(4,077.33)			(6,883.42)
Total Governmental Activities	<u>29,953,186.80</u>	<u>28,897,415.67</u>	<u>33,156,462.68</u>	<u>35,053,421.29</u>	<u>27,909,360.50</u>	<u>28,666,297.48</u>	<u>29,380,668.62</u>	<u>29,344,263.80</u>	<u>29,392,239.78</u>	<u>29,801,448.14</u>

(Continued)

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues and Other Changes in Net Position (Continued)										
Business-type Activities:										
County Appropriation						\$ 95,000.00				\$ 243,965.00
Other Items (Cont'd):										
Capital Contributions										(50,000.00)
Adjustment of Accrued Pension Liability							\$ 9,100.43			
Adjustment of Prior Period Tuition Revenue								\$ 23,273.72	\$ 2,259.84	(1,560.02)
Transfers		\$ 285,000.00			\$ 380,195.35		(165,625.98)		(2,644.84)	
Gain / (Loss) on Disposal of Capital Assets									(4,173.48)	(6,130.16)
Cancellation of Prior Year Receivable								(11,867.96)		(12,460.80)
Total Business-type Activities	-	-	285,000.00	-	380,195.35	95,000.00	(156,525.55)	11,405.76	(4,558.48)	173,814.02
Total District-wide	\$ 29,953,186.80	\$ 28,897,415.67	\$ 33,441,462.68	\$ 35,053,421.29	\$ 28,289,555.85	\$ 28,761,297.48	\$ 29,224,143.07	\$ 29,355,669.56	\$ 29,387,681.30	\$ 29,975,262.16
Change in Net Position										
Governmental Activities	\$ 1,712,227.59	\$ 1,593,364.88	\$ 5,277,792.37	\$ 8,711,473.62	\$ (2,083,833.56)	\$ (2,248,520.27)	\$ (2,707,533.65)	\$ (812,568.85)	\$ (764,592.87)	\$ (389,968.24)
Business-type Activities	6,731,964.60	5,244,044.26	1,529,767.52	(1,257,723.37)	872,755.86	(581,017.75)	(3,167,089.60)	616,992.72	601,028.48	169,971.06
Total District	\$ 8,444,192.19	\$ 6,837,409.14	\$ 6,807,559.89	\$ 7,453,750.25	\$ (1,211,077.70)	\$ (2,829,538.02)	\$ (5,874,623.25)	\$ (195,576.13)	\$ (163,564.39)	\$ (219,997.18)

Source: District Records

NOTES:

(1) Source: ACFR Exhibit A-2

(2) Amounts for the years 2023 through 2015 include the Implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68.

(3) Amounts for 2023 through 2017 include the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

(4) Amount for 2023 through 2021 includes the implementation of Governmental Accounting Standards Board- Statement No. 84, *Fiduciary Activities*.

(5) Amount for 2023 through 2022 includes the implementation of Governmental Accounting Standards Board- Statement No. 87, *Leases*.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Restricted	\$ 542,961.94	\$ 537,411.54	\$ 536,450.00	\$ 536,448.00	\$ 536,446.00	\$ 536,444.00	\$ 536,442.00	\$ 536,440.00	\$ 628,653.00	\$ 628,651.00
Assigned	4,025,678.99	3,491,748.99	2,884,014.09	2,258,454.00	2,121,252.47	3,376,811.65	3,983,174.67	4,369,619.92	3,828,727.00	4,029,213.00
Unassigned	<u>2,782,047.34</u>	<u>2,034,174.94</u>	<u>2,658,612.93</u>	<u>2,550,870.35</u>	<u>1,905,680.75</u>	<u>1,199,807.76</u>	<u>1,509,429.31</u>	<u>1,568,456.78</u>	<u>2,158,429.85</u>	<u>1,962,641.77</u>
Total General Fund	<u>\$ 7,350,688.27</u>	<u>\$ 6,063,335.47</u>	<u>\$ 6,079,077.02</u>	<u>\$ 5,345,772.35</u>	<u>\$ 4,563,379.22</u>	<u>\$ 5,113,063.41</u>	<u>\$ 6,029,045.98</u>	<u>\$ 6,474,516.70</u>	<u>\$ 6,615,809.85</u>	<u>\$ 6,620,505.77</u>
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund	<u>\$ 194,525.04</u>	<u>\$ 190,834.02</u>	<u>\$ 213,856.80</u>	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 194,525.04</u>	<u>\$ 190,834.02</u>	<u>\$ 213,856.80</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source: District Records

NOTES:

- (1) Source: ACFR Exhibit B-1
- (2) The J-3 is a ten year schedule. This sample is for the year of implementation of GASB 44. Districts are not required by GASB to report years prior to the implementation date of Statement 44. However, the department strongly encourages districts to report retroactively back to the year the District implemented Statement 34.
- (3) A substantial increase/decrease in reserved fund balance should be explained in the MD&A.
- (4) Amount for 2023 through 2021 includes the implementation of Governmental Accounting Standards Board- Statement No. 84, *Fiduciary Activities*.
- (5) Amount for 2023 through 2022 includes the implementation of Governmental Accounting Standards Board- Statement No. 87, *Leases*.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
County Appropriation	\$ 2,419,112.34	\$ 3,452,950.23	\$ 7,928,467.92	\$ 8,523,419.44	\$ 800,000.00	\$ 618,078.00	\$ 563,078.00	\$ 563,078.00	\$ 563,078.00	\$ 1,319,113.00
Tuition Charges	26,588,060.00	25,004,005.00	25,205,065.53	26,137,545.01	27,050,314.29	27,691,730.10	28,133,963.29	27,906,787.99	28,221,559.66	27,846,352.60
Miscellaneous	2,137,176.93	956,290.40	738,395.86	355,399.77	356,661.28	291,769.03	690,128.05	885,578.45	423,492.91	701,446.60
State Sources	7,867,257.87	7,955,200.93	6,416,081.97	5,337,292.49	5,293,333.04	4,563,173.92	4,134,576.93	3,615,291.69	3,120,068.14	2,785,990.32
Federal Sources	2,439,624.98	2,171,962.51	1,597,210.49	1,791,206.91	2,009,729.43	1,603,037.32	1,722,606.71	2,117,317.56	1,924,184.57	1,704,009.37
Total Revenue	41,451,232.12	39,540,409.07	41,885,221.77	42,144,863.62	35,510,038.04	34,767,788.37	35,244,352.98	35,088,053.69	34,252,383.28	34,356,911.89
Expenditures										
Instruction										
Special Education Instruction	11,963,498.25	11,513,601.68	10,749,280.45	11,067,713.91	11,409,579.86	11,607,580.54	11,559,235.57	11,913,554.25	11,711,242.43	11,029,395.32
Other Special Instruction	82,764.00	74,592.00	73,246.00	87,241.00	91,908.96	405,434.42	387,381.49	395,769.57	403,498.13	430,371.71
Support Services:										
Student & Instruction Related Services	7,911,222.65	7,034,952.79	6,439,374.52	7,151,484.93	7,480,819.68	7,022,249.49	7,114,260.45	6,817,837.57	6,475,666.31	6,651,409.59
General Administrative Services	285,107.82	281,382.68	256,010.00	268,800.00	263,789.87	269,340.81	317,992.49	278,296.49	243,102.86	241,363.57
School Administrative Services	1,434,462.00	1,311,374.00	1,299,212.00	1,264,497.00	1,408,925.34	1,477,520.19	1,552,760.88	1,464,166.66	1,392,046.71	1,342,448.18
Central Services	531,038.00	252,859.00	241,897.00	248,135.00	249,155.17	357,238.83	324,814.08	400,649.57	541,667.12	547,447.66
Plant Operations and Maintenance	2,525,693.00	2,334,908.00	2,318,849.00	2,136,519.00	2,628,225.06	2,660,668.85	2,649,916.66	2,656,460.19	2,514,077.24	2,544,542.50
Pupil Transportation	43,230.00	29,028.00	15,638.00	27,663.00	20,242.31	40,024.66	38,875.54	50,999.96	43,963.87	28,619.35
Budgeted Transfers			285,000.00							
Unallocated Employee Benefits	7,484,815.00	7,453,446.30	7,421,121.89	6,522,645.15	7,494,622.96	7,462,406.31	7,777,326.35	7,676,276.58	7,828,370.99	7,313,650.46
On-Behalf Pension Contributions	6,550,578.00	6,534,661.00	5,103,425.00	4,043,639.00	3,987,458.00	3,244,427.00	2,820,829.00	2,375,613.00	1,826,907.00	1,495,144.00
Reimbursed TPAF Social Security	995,838.87	1,022,083.93	1,015,551.97	996,548.49	1,008,770.04	1,014,537.81	1,011,873.33	939,523.69	990,556.14	993,741.32
Capital Outlay	219,318.52	2,317,828.07	5,939,346.12	3,005,034.52	150,669.19	122,342.03	134,557.86	256,436.85	495,321.71	1,145,614.00
Total Expenditures	40,027,566.11	40,160,717.45	41,157,951.95	36,819,921.00	36,194,166.44	35,683,770.94	35,689,823.70	35,225,584.38	34,466,420.51	33,763,747.66
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,423,666.01	(620,308.38)	727,269.82	5,324,942.62	(684,128.40)	(915,982.57)	(445,470.72)	(137,530.69)	(214,037.23)	593,164.23
Other Financing Sources (Uses)										
Special Revenue Fund Adjustment								0.02		
Cancellation of Prior Year Payables/(Receivables)									(2,655.76)	(2,479.51)
Lease Obligations (Non-Budget)		581,544.05							210,812.48	
Refund of Prior Period Tuition/Revenue	(132,622.19)			(72,475.99)				(3,762.48)	(1,460.25)	
Transfers In/(Out)					134,444.21				2,644.84	
Total Other Financing Sources (Uses)	(132,622.19)	581,544.05	-	(72,475.99)	134,444.21	-	-	(3,762.46)	209,341.31	(2,479.51)
Net Change in Fund Balances	\$ 1,291,043.82	\$ (38,764.33)	\$ 727,269.82	\$ 5,252,466.63	\$ (549,684.19)	\$ (915,982.57)	\$ (445,470.72)	\$ (141,293.15)	\$ (4,695.92)	\$ 590,684.72

Source: District Records

NOTES:

- (1) Source: ACFR Exhibit B-2
- (2) The J-4 is a ten year schedule. This sample is for the year of implementation of GASB 44.
- (3) Noncapital expenditures are total expenditures less capital outlay.
- (4) Amount for 2023 through 2021 includes the implementation of Governmental Accounting Standards Board- Statement No. 84, *Fiduciary Activities*.
- (5) Amount for 2023 through 2022 includes the implementation of Governmental Accounting Standards Board- Statement No. 87, *Leases*.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	<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>
Tuition - LEA's	\$ 25,690,140.00	\$ 24,192,955.00	\$ 24,390,681.53	\$ 25,308,838.01	\$ 26,129,199.65	\$ 26,705,432.00	\$ 27,154,514.79	\$ 26,860,682.04	\$ 27,137,777.50	\$ 26,749,575.88
Nonresident Fees	897,920.00	811,050.00	814,384.00	828,707.00	921,114.64	986,298.10	1,011,394.88	1,046,105.95	1,083,782.16	1,096,776.72
Interest Earned on Capital Reserve Funds	1,315.13	227.83	1.00	1.00	1.00	1.00	1.00			
Interest Earned on Maint. Reserve Funds	4,235.27	733.71	1.00	1.00	1.00	1.00	1.00			
Interest Earned on Investments					4,755.44			504.31	132.58	117.23
Refunds of Prior Years Revenues										8,886.90
Refunds of Prior Years Expenditures					15.28			516,800.86	37,266.50	147,076.49
Indirect Costs					42,046.31				60,361.71	69,975.34
Retail Trades					50,274.69				37,007.76	46,478.27
Miscellaneous	742,945.59	268,774.68	738,393.86	355,397.77	259,567.56	291,767.03	624,347.21	277,533.85	205,028.79	358,978.15
	<u>\$ 27,336,555.99</u>	<u>\$ 25,273,741.22</u>	<u>\$ 25,943,461.39</u>	<u>\$ 26,492,944.78</u>	<u>\$ 27,406,975.57</u>	<u>\$ 27,983,499.13</u>	<u>\$ 28,790,258.88</u>	<u>\$ 28,701,627.01</u>	<u>\$ 28,561,357.00</u>	<u>\$ 28,477,864.98</u>

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Business- Activities		Total District	Percentage of Personal Income (2)	Outstanding Debt Per Capita (3)
	General Obligation Bonds (1)	Certificates of Participation	Leases**	Bond Anticipation Notes (BANs)	Leases**			
2023			\$ 366,701.81			\$ 366,701.81	Unavailable	Unavailable
2022			725,930.91		\$ 37,277.88	763,208.79	Unavailable	Unavailable
2021								
2020								
2019								
2018								
2017								
2016								
2015								
2014								

Not applicable for years 2013-2021

** Amounts for the year 2022 and 2023 include leases as defined in Governmental Accounting Standards Board Statement No. 87, Leases.

- Sources:
- (1) District Records
 - (2) Personal income has been estimated based upon the municipal population and per capita personal income presented.
 - (3) Per capita personal income by municipality-estimated based upon the 2010 Census published by the US Bureau of Economic Analysis

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

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2023	Unavailable	Unavailable	Unavailable	Unavailable
2022	306,601	Unavailable	Unavailable	3.7%
2021	304,477	\$ 19,045,949,781	\$ 62,553	6.0%
2020	293,245	17,707,892,570	60,386	8.9%
2019	291,842	16,592,093,226	56,853	3.5%
2018	291,754	15,943,189,084	54,646	4.1%
2017	291,088	15,348,779,152	52,729	4.6%
2016	290,795	14,768,896,460	50,788	5.0%
2015	291,022	14,441,093,684	49,622	6.0%
2014	290,742	13,782,915,252	47,406	7.3%

Source:

- (1) Information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Rowan University	3,500	1	2.45%	1,300	2	0.91%
Inspira Medical Center - Woodbury	1,222	2	0.85%			
Walmart Turnersville	800	3	0.56%			
Jefferson Health	670	4	0.47%			
LaBrea Bakery	500	5	0.35%			
Keller Williams Realty	500	6	0.35%			
Honda of Turnersville	499	7	0.35%			
Paulsboro Refinery LLC	402	8	0.28%	600	9	0.42%
Washington Township High School	400	9	0.28%			
Johnson Matthey Inc	379	10	0.26%			
Underwood Memorial Hospital				1,825	1	1.28%
Kennedy Memorial Hospital				1,200	3	0.84%
Missa Bay				950	4	0.67%
Exxon Mobile Research and Development				750	5	0.53%
U.S. Foodservices				725	6	0.51%
Godwin Pumps				640	7	0.45%
DGI Services				600	8	0.42%
Delaware Valley Floral Group				500	10	0.35%
	<u>8,872</u>		<u>6.20%</u>	<u>9,090</u>		<u>6.38%</u>

Source: Gloucester County Department of Economic Development

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Fiscal</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff (2)</u>	<u>Average Daily Enrollment (ADE) (3)</u>	<u>Average Daily Attendance (ADA) (3)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2023	552.0	\$ 39,808,247.59	\$ 72,116.39	-3.95%	185.0	549.8	497.2	4.39%	90.43%
2022	504.0	37,842,889.38	75,085.10	15.98%	195.6	526.7	473.0	-3.89%	89.80%
2021	544.0	35,218,605.83	64,740.08	8.94%	200.5	548.0	504.8	-4.42%	92.12%
2020	569.0	33,814,886.48	59,428.62	-3.05%	209.1	573.4	543.5	-5.09%	94.80%
2019	588.0	36,043,497.25	61,298.46	8.42%	199.2	604.1	554.6	-4.73%	91.81%
2018	629.0	35,561,428.91	56,536.45	9.72%	212.3	634.1	580.3	-8.50%	91.51%
2017	690.0	35,555,265.84	51,529.37	-0.90%	214.0	693.0	634.5	-1.66%	91.56%
2016	672.5	34,969,147.53	51,998.73	8.45%	214.5	704.7	652.0	-3.11%	92.52%
2015	708.5	33,971,098.80	47,947.92	7.31%	213.1	727.3	668.1	-0.42%	91.86%
2014	730.0	32,618,133.66	44,682.37	-1.20%	237.0	730.4	667.1	1.08%	91.33%

Sources: District records, ASSA and Schedule J-4

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	<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 Building										
Special Education										
Bankbridge Elementary (2002)										
Square Feet	39,081	39,081	39,081	39,081	39,081	39,081	39,081	39,081	39,081	39,081
Capacity (students) ¹										
Bankbridge Regional School (2000)										
Square Feet	79,670	79,670	79,670	79,670	79,670	79,670	79,670	79,670	79,670	79,670
Capacity (students) ¹										
Bankbridge Development Center (2007)										
Square Feet	52,200	52,200	52,200	52,200	52,200	52,200	52,200	52,200	52,200	52,200
Capacity (students) ¹										
Enrollment ²	552.0	504.0	544.0	569.0	588.0	629.0	690.0	672.5	708.5	730.0

Number of Schools at June 30, 2023
 Special Education = 3

¹ N.J.S.A. 18A:7G et seq. provides no standard capacity for County Special Services School Districts due to the specialized population served.

² Bankbridge is treated as one school for reporting enrollment. Such treatment provides maximum flexibility in addressing each student's individual needs.

Source: District records, ASSA

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

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

* School Facilities	Project # (s)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Bankbridge Elementary School	SP 200456	\$ 107,635	\$ 40,119	\$ 61,915	\$ 64,574	\$ 34,223	\$ 28,936	\$ 44,896	\$ 38,161	\$ 35,836	\$ 55,793
Bankbridge Regional School	SP 98129	46,115	77,306	200,732	57,272	130,267	99,367	111,544	163,231	60,145	106,152
Bankbridge Development Center	N/A	93,969	42,448	37,952	56,439	53,611	33,395	20,799	18,449	39,128	24,042
Total School Facilities		<u>\$ 247,719</u>	<u>\$ 159,873</u>	<u>\$ 300,599</u>	<u>\$ 178,285</u>	<u>\$ 218,101</u>	<u>\$ 161,698</u>	<u>\$ 177,239</u>	<u>\$ 219,841</u>	<u>\$ 135,109</u>	<u>\$ 185,987</u>

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

Source: District Records

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Insurance Schedule

June 30, 2023

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Automobile Liability (1)		
Bodily Injury and Property Damage	\$ 31,000,000 per accident	
Uninsured/Underinsured Motorists - Private Passenger Auto	1,000,000 per accident	
Uninsured/Underinsured Motorists - All Other Vehicles	15,000 Bodily Injury Per Person	
	30,000 Bodily Injury Per Accident	
	5,000 Property Damage Per Accident	
Property (1)		
Blanket Real and Personal Property	\$ 500,000,000 per occurrence NJSIG Limit	\$ 5,000
Blanket Extra Expense	50,000,000 per occurrence NJSIG Limit	5,000
Blanket Valuable Papers and Records	10,000,000 per occurrence NJSIG Limit	5,000
Demolition and Increased Cost of Construction	25,000,000 per occurrence NJSIG Limit	
Loss of Business Income/Tuition	2,900,000	
Pollutant Cleanup and Removal	250,000 per occurrence	
Sublimits: Special Flood Hazard Area Flood Zones	25,000,000 per occurrence/NJSIG annual aggregate	500,000 per building
		500,000 per building contents
Earthquake	50,000,000 per occurrence/NJSIG annual aggregate	
Terrorism	1,000,000 per occurrence/NJSIG annual aggregate	
Comprehensive General Liability (1)		
Combined Single Limit for Bodily Injury & Property Damage	\$ 31,000,000 Combined Single Limit for Bodily Injury & Property Damage	
Bodily Injury from Products and Completed Operations	\$ 31,000,000 annual aggregate	
Sexual Abuse	15,000,000 per occurrence	
	27,000,000 annual NJSIG aggregate	
Personal Injury and Advertising Injury	31,000,000 per occurrence/NJSIG annual aggregate	
Employee Benefits Liability	31,000,000 per occurrence/annual aggregate	\$ 1,000 per claim
Terrorism	1,000,000 per occurrence/NJSIG annual aggregate	
Workers' Compensation and Employers' Liability (1)		
Bodily Injury by Accident	\$ 3,000,000 each accident	
Bodily Injury by Disease	3,000,000 each employee	
	3,000,000 aggregate limit	
School Leaders Errors & Omissions (1)		
Coverage A		
Limit of Liability:		
NJSIG	\$ 30,000,000 each claim/annual member aggregate	\$ 5,000 each claim
QBE Specialty Ins. Co.	1,000,000 each claim	5,000 each claim
	3,000,000 annual member aggregate	
Coverage B		
Limit of Liability:		
	\$ 100,000 each claim	\$ 5,000 each claim
	300,000 each policy period	
Public Official Bonds (2)		
Assistant Superintendent for Business/Board Secretary	\$ 325,000	
Student Accident Policy (3)		
	\$ 1,000,000	
Volunteer Accident Policy (4)		
	\$ 250,000	
Migrant Accident Policy (5)		
Accidental Death Benefit	\$ 5,000	
Accidental Dismemberment Benefit	\$ 5,000	
Accident Medical Expense Benefit	\$ 250,000	\$ 50 per accident
Aggregate Limit	\$ 250,000	

(1) - New Jersey School Insurance Group - (ERIC South)

(2) - Western Surety

(3) - Zurich American Insurance Company

(4) - Berkley Life and Health Insurance Company

(5) - National Union Fire Insurance Company of Pittsburgh, PA

Source: District Records

SINGLE AUDIT SECTION

Exhibit K-1**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS****INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement 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, and each major fund of the Gloucester County Special Services School District, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, 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, and have issued our report thereon dated February 7, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Gloucester County Special Services 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 Gloucester County Special Services 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 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.

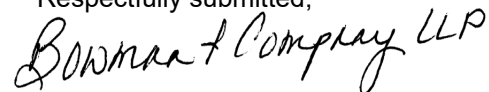
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gloucester County Special Services 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.

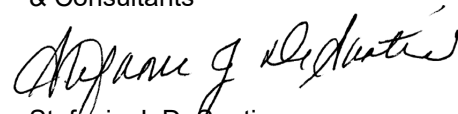
Purpose of this Report

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Public School Accountant No. CS 002523

Woodbury, New Jersey
February 7, 2024

Exhibit K-2

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Gloucester County Special Services School District's, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State 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 Gloucester County Special Services School District, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, 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 other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, 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; *Government Auditing Standards*; the Office of School Finance, Department of Education, State of New Jersey; Uniform Guidance; and State of New Jersey Circular 15-08-OMB, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the 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 and 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 and 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 and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

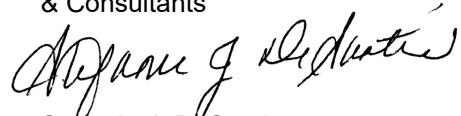
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Public School Accountant No. CS 002523

Woodbury, New Jersey
February 7, 2024

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GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2023

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period		Balance at June 30, 2022
						From	To	
General Fund:								
U.S. Department of Health and Human Services:								
Passed-through State Department of Education:								
Medicaid Cluster:								
Medical Assistance Program (Medicaid)	93.778	N/A	2305NJ5MAP	N/A	\$ 317,376.00	07/01/22	06/30/23	
Medical Assistance Program (Medicaid)	93.778	N/A	2205NJ5MAP	N/A	137,271.00	07/01/21	06/30/22	\$ (17,106.14)
Total Medical Assistance Program Cluster								<u>(17,106.14)</u>
Total General Fund and Total U.S. Department of Health and Human Services:								<u>(17,106.14)</u>
Special Revenue Fund:								
U.S. Department of Education:								
Passed-through State Department of Education - Office of Elementary and Secondary Education:								
Migrant Education - State Program - Title I, Part C								
Migrant Education Project	84.011	N/A	S111A230030	100-034-5060-019	1,151,558.00	01/01/23	12/31/23	
Migrant Education Project	84.011	N/A	S111A230030	100-034-5060-019	1,406,147.00	04/01/23	09/30/23	
Migrant Education Project	84.011	N/A	S111A220030	100-034-5060-019	1,311,500.00	01/01/22	12/31/22	(567,866.55)
Migrant Education Project	84.011	N/A	S111A210030	100-034-5060-019	1,168,999.00	01/01/21	12/31/21	(193,631.15)
Total Migrant Education - State Program - Title I, Part C								<u>(761,497.70)</u>
Education for Homeless Children and Youth:								
McKinney-Vento Ed for Homeless Children	84.196	84.196A	S196A230031	100-034-5060-021	477,153.00	07/01/22	06/30/23	
McKinney-Vento Ed for Homeless Children	84.196	84.196A	S196A220031	100-034-5060-021	642,678.00	07/01/21	06/30/22	(124,740.61)
Total Education for Homeless Children and Youth								<u>(124,740.61)</u>
Education Stabilization Fund (ESF):								
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSERF)								
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSERF)	84.425	COVID-19; 84.425D	S425D200027	N/A	25,000.00	03/13/20	09/30/22	(4,250.00)
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425	COVID-19; 84.425D	S425D210027	N/A	162,950.00	03/13/20	09/30/23	(154,309.54)
American Rescue Plan Elementary and Secondary School Emergency Relief Fund (ARP ESSER III)	84.425	COVID-19; 84.425U	S425U210027	N/A	325,899.00	03/13/20	09/30/24	(38,495.56)
American Rescue Plan Elementary and Secondary School Emergency Relief Fund (ARP - HCY)	84.425	COVID-19; 84.425W	S425W210031	N/A	1,405,222.00	03/13/20	09/30/24	(4,814.88)
Total Education Stabilization Fund								<u>(201,869.98)</u>
Total Special Revenue Fund								<u>(1,088,108.29)</u>
Enterprise Fund:								
U.S. Department of Agriculture								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
School Breakfast Program	10.553	N/A	231NJ304N1099	100-030-3350-021	102,327.59	07/01/22	06/30/23	
School Breakfast Program	10.553	N/A	221NJ304N1099	100-030-3350-021	167,574.68	07/01/21	06/30/22	(11,196.29)
Total School Breakfast Program								<u>(11,196.29)</u>
Food Distribution Program (Non-Cash assistance)	10.555	N/A	231NJ304N1099	N/A	53,929.77	07/01/22	06/30/23	
National School Lunch Program	10.555	N/A	231NJ304N1099	100-010-3350-023	184,685.03	07/01/22	06/30/23	
National School Lunch Program	10.555	N/A	221NJ304N1099	100-010-3350-023	296,190.93	07/01/21	06/30/22	(19,532.06)
National School Lunch Program (EMOP)	10.555	COVID-19; 10.555	231NJ304N1099	100-010-3350-023	38,002.46	07/01/22	06/30/23	
Total National School Lunch Program								<u>(19,532.06)</u>
Total Child Nutrition Cluster								<u>(30,728.35)</u>
Total Enterprise Fund								<u>(30,728.35)</u>
Total Federal Financial Assistance								<u>\$ (1,135,942.78)</u>

(A) - Difference due to rounding adjustment.
 (B) - Cancellation of accounts receivable.

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures			Passed- Through to Subrecipients	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2023		
		Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
	\$ 317,376.00 17,106.14	\$ 317,376.00		\$ 317,376.00						
-	334,482.14	317,376.00	-	317,376.00	-	-	-	-	-	-
-	334,482.14	317,376.00	-	317,376.00	-	-	-	-	-	-
	364,242.00	495,793.56		495,793.56				\$ (131,551.56)		
	1,118,279.85	95,075.66		95,075.66				(95,075.66)		
	193,631.15	550,413.63		550,413.63		\$ 0.33 A				
-	1,676,153.00	1,141,282.85	-	1,141,282.85	-	0.33	-	(226,627.22)	-	-
	406,215.00	441,418.78		441,418.78		0.78 A		(35,203.00)		
	123,843.00					897.61 B				
-	530,058.00	441,418.78	-	441,418.78	-	898.39	-	(35,203.00)	-	-
	4,250.00							-		
	154,310.00					(0.46) A		-		
	250,061.00	211,565.44		211,565.44				-		
-	283,642.00	327,981.91	-	327,981.91	-	(0.01) A	-	(49,154.80)	-	-
-	692,263.00	539,547.35	-	539,547.35	-	(0.47)	-	(49,154.80)	-	-
-	2,898,474.00	2,122,248.98	-	2,122,248.98	-	898.25	-	(310,985.02)	-	-
	95,131.88	102,327.59		102,327.59				(7,195.71)		
-	106,328.17	102,327.59	-	102,327.59	-	-	-	(7,195.71)	-	-
	172,023.00	53,929.77		53,929.77				(12,662.03)		
	19,532.06	184,685.03		184,685.03						
-	38,002.46	38,002.46	-	38,002.46	-	-	-	(12,662.03)	-	-
-	229,557.52	276,617.26	-	276,617.26	-	-	-	(19,857.74)	-	-
-	335,885.69	378,944.85	-	378,944.85	-	-	-	(19,857.74)	-	-
-	335,885.69	378,944.85	-	378,944.85	-	-	-	(19,857.74)	-	-
\$ -	\$ 3,568,841.83	\$ 2,818,569.83	\$ -	\$ 2,818,569.83	\$ -	\$ 898.25	\$ -	\$ (330,842.76)	\$ -	\$ -

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2023

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022		Carryover / (Walkover) Amount
			From	To	Unearned Revenue / (Accounts Receivable)	Due to Grantor	
General Fund:							
New Jersey Department of Education:							
Current Expense:							
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	\$ 995,838.87	07/01/22	06/30/23			
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	1,022,083.93	07/01/21	06/30/22	\$ (50,592.31)		
Total Reimbursed TPAF Social Security Contributions					(50,592.31)	-	-
On-Behalf T.P.A.F. Pension Contributions:							
Normal Cost	23-495-034-5094-002	5,115,168.00	07/01/22	06/30/23			
Non-Contributory Insurance	23-495-034-5094-004	70,967.00	07/01/22	06/30/23			
Long-Term Disability Insurance Contribution	23-495-034-5094-004	2,058.00	07/01/22	06/30/23			
Post-Retirement Medical	23-495-034-5094-001	1,362,385.00	07/01/22	06/30/23			
Total On-Behalf TPAF Pension Contributions (non-budgeted)					-	-	-
Total General Fund					(50,592.31)	-	-
Special Revenue Fund:							
State Department Children and Families:							
School Based Youth Services	23-100-054-7500-068	308,038.00	07/01/22	06/30/23			
Total School Based Youth Services						-	-
Total State Department of Children and Families					-	-	-
New Jersey School Development Authority:							
SDA Emergent Needs and Capital Maintenance	unavailable	12,803.00	11/19/22	06/30/23			
Total New Jersey School Development Authority					-	-	-
Total Special Revenue Fund					-	-	-
Enterprise Fund:							
New Jersey Department of Agriculture:							
State School Breakfast Program	23-100-010-3350-023	8,509.50	07/01/22	06/30/23			
Total School Breakfast Program					-	-	-
State School Lunch Program	23-100-010-3350-023	6,909.45	07/01/22	06/30/23			
State School Lunch Program	22-100-010-3350-023	8,216.86	07/01/21	06/30/22	(449.50)		
Total School Lunch Program					(449.50)	-	-
Total New Jersey Department of Agriculture					(449.50)	-	-
Total Enterprise Fund					(449.50)	-	-
Total State Financial Assistance					\$ (51,041.81)	\$ -	\$ -
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-behalf T.P.A.F. Pension Contributions:							
Normal Cost	23-495-034-5094-002	5,115,168.00	07/01/22	06/30/23			
Non-Contributory Insurance	23-495-034-5094-004	70,967.00	07/01/22	06/30/23			
Long-Term Disability Insurance Contribution	23-495-034-5094-004	2,058.00	07/01/22	06/30/23			
Post-Retirement Medical	23-495-034-5094-001	1,362,385.00	07/01/22	06/30/23			
Total General Fund (Non-Cash Assistance)							
Total State Financial Assistance subject to Major Program Determination for State Single Audit							

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

Cash Received	Total Budgetary Expenditures	Passed-Through to Subrecipients	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2023			(Memo Only)	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2023	Cumulative Total Expenditures
\$ 902,211.14	\$ 995,838.87				\$ (93,627.73)				\$ 995,838.87
50,592.31									1,022,083.93
952,803.45	995,838.87	-	-	-	(93,627.73)	-	-	-	2,017,922.80
5,115,168.00	5,115,168.00								5,115,168.00
70,967.00	70,967.00								70,967.00
2,058.00	2,058.00								2,058.00
1,362,385.00	1,362,385.00								1,362,385.00
6,550,578.00	6,550,578.00	-	-	-	-	-	-	-	6,550,578.00
7,503,381.45	7,546,416.87	-	-	-	(93,627.73)	-	-	-	8,568,500.80
308,038.00	308,038.00								308,038.00
308,038.00	308,038.00	-	-	-	-	-	-	-	308,038.00
308,038.00	308,038.00	-	-	-	-	-	-	-	308,038.00
12,803.00	12,803.00								12,803.00
12,803.00	12,803.00	-	-	-					12,803.00
320,841.00	320,841.00	-	-	-	-	-	-	-	320,841.00
7,909.40	8,509.50				(600.10)				8,509.50
7,909.40	8,509.50	-	-	-	(600.10)	-	-	-	8,509.50
6,435.91	6,909.45				(473.54)				6,909.45
449.50					-				8,216.86
6,885.41	6,909.45	-	-	-	(473.54)	-	-	-	15,126.31
14,794.81	15,418.95	-	-	-	(1,073.64)	-	-	-	23,635.81
14,794.81	15,418.95	-	-	-	(1,073.64)	-	-	-	23,635.81
\$ 7,839,017.26	\$ 7,882,676.82	\$ -	\$ -	\$ -	\$ (94,701.37)	\$ -	\$ -	\$ -	\$ 8,912,977.61

5,115,168.00
70,967.00
2,058.00
1,362,385.00

6,550,578.00

\$ 1,332,098.82

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2023

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Gloucester County Special Services School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s 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 State of New Jersey Circular 15-08-OMB, *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, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the budgetary basis of accounting, with the following exception: programs recorded in the enterprise funds are presented on the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The expenditures reflected in the schedules are presented at the federal and state participation level; thus, any matching portion is not included.

Note 3: INDIRECT COST RATE

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

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is not required for the general fund and special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 5: 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 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent differences due to rounding and the cancellation of accounts receivable balances.

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2023, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued UNMODIFIED
Internal control over financial reporting:
Material weakness(es) identified? ___ yes X no
Significant deficiency(ies) identified? ___ yes X none reported
Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? ___ yes X no
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 Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? ___ yes X no

Identification of major programs:

Table with 3 columns: Assistance Listing Number(s), FAIN Number(s), Name of Federal Program or Cluster. Row 1: 84.011, S111A220030, Migrant Education Project.

Dollar threshold used to distinguish between type A and type B programs: \$750,000.00

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

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

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 New Jersey Circular 15-08-OMB? ___ yes ___ X ___ no

Identification of major programs:

GMIS Number(s)

Name of State Program

23-495-034-5094-003

Reimbursed TPAF Social Security Contributions

Dollar threshold used to distinguish between type A and type B programs: \$750,000.00

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

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 2- Schedule of Financial Statement Findings

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

No Current Year Findings

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

No Current Year Findings

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

No Current Year Findings

GLOUCESTER COUNTY SPECIAL SERVICES SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings