

PAULSBORO SCHOOL DISTRICT

Paulsboro, New Jersey
County of Gloucester

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

PAULSBORO SCHOOL DISTRICT

PAULSBORO, NEW JERSEY

YEAR ENDED JUNE 30, 2023

**PREPARED BY DISTRICT FINANCE OFFICER
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

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January 15, 2024

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

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the OMB's Uniform Guidance and the State of New Jersey Circular Letter 15-08-OMB. 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:

The Paulsboro School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No.

3. All funds of the district are included in this report; the Paulsboro School District and all its schools constitute the district's reporting entity. The Paulsboro School District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular as well as special education for children with special needs. The Paulsboro School District enrollment for 2022-2023 was 1,286 students, which is 67 students above the previous

year's enrollment. The following details the changes in the student average daily enrollment of the School District over the last ten fiscal years.

District Enrollment		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	1,286	5.50%
2021-2022	1,219	3.48%
2020-2021	1,178	-0.76%
2019-2020	1,187	5.79%
2018-2019	1,122	0.90%
2017-2018	1,112	-1.16%
2016-2017	1,125	0.18%
2015-2016	1,123	-2.43%
2014-2015	1,151	-0.60%
2013-2014	1,158	-4.77%

2. ECONOMIC CONDITION AND OUTLOOK:

The Borough of Paulsboro had been fully developed with little potential for an increase in the number of residential units. There is, however, a considerable amount of recycling of existing homes. Some large homes have been converted into multi-unit apartments. Young families are purchasing other homes. As a result, the overall valuation of the Borough is relatively stable.

There is also a substantial amount of subsidized housing within the borough. A significant percentage of the dwellings are rental properties.

The most significant community factor impacting the students is poverty. The number of students directly certified with the State of New Jersey Temporary Assistance for Needy Families (TANF) qualifies the district to participate in Community Eligibility Program (CEP) allowing all students attending Paulsboro Public Schools to receive free lunch and free breakfast. This is an indicator of poverty. The conditions surrounding poverty include high absence rates, high rates of mobility, elevated number of dropouts, and lower achievement. In addition, the rate of students identified with disabilities increases when poverty is a factor.

3. MAJOR INITIATIVES:

Paulsboro continues to look at ways to save money by combining efforts with other districts in joint purchases and the utilization of resources. Some of the cost saving methods are indicated below:

The Board of Education is a member of the School Alliance Insurance Fund (SAIF) composed of more than one hundred school districts. The district purchases property and casualty insurance through the fund. The district participates in the funds safety program, which educates the staff and has earned safety award renewal credits towards the premium for the past two years.

The Board of Education has maintained an existing transportation staff and continues to contract with Gloucester County Special Services and other Local Education Agencies to competitively bid routes that cannot be performed in-house.

The Board of Education contracts with Gloucester County Special Services School District to provide occupational, physical, and behavioral specialist services for students.

The Board of Education has accepted status as a Choice School. Parents from other districts may send their child to the Paulsboro Public Schools at no cost.

The school district also offers professional courtesy to staff members, so that their children can attend the Paulsboro Public Schools. Staff members recognize the quality of education at Paulsboro and therefore, request that their children attend.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the Paulsboro School District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Paulsboro Board of Education are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. In March 2010 the Board of Education adopted an official Purchasing Manual that was developed by the Business Office. The manual reflects law, Board policy and best practices from other school districts. Training was provided to all administrators and department heads to ensure that the purchasing laws are abided by. The manual has also been distributed to all staff and continues to be updated as necessary.

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

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the Paulsboro School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. Project-length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

The Business Office can verify that all budgetary controls were in place during the past school year.

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. DEBT ADMINISTRATION:

At June 30, 2023, the District's outstanding debt issues included \$2,157,000 of Series 2015 school district bonds.

8. CASH MANAGEMENT:

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

9. RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

10. INDEPENDENT AUDIT:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board of Education appointed the accounting firm of Buckno Lisicky & Company. In addition to meeting 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 State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, the auditor's report on the general-purpose financial statements and individual fund statements and schedules are included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

11. ACKNOWLEDGEMENTS:

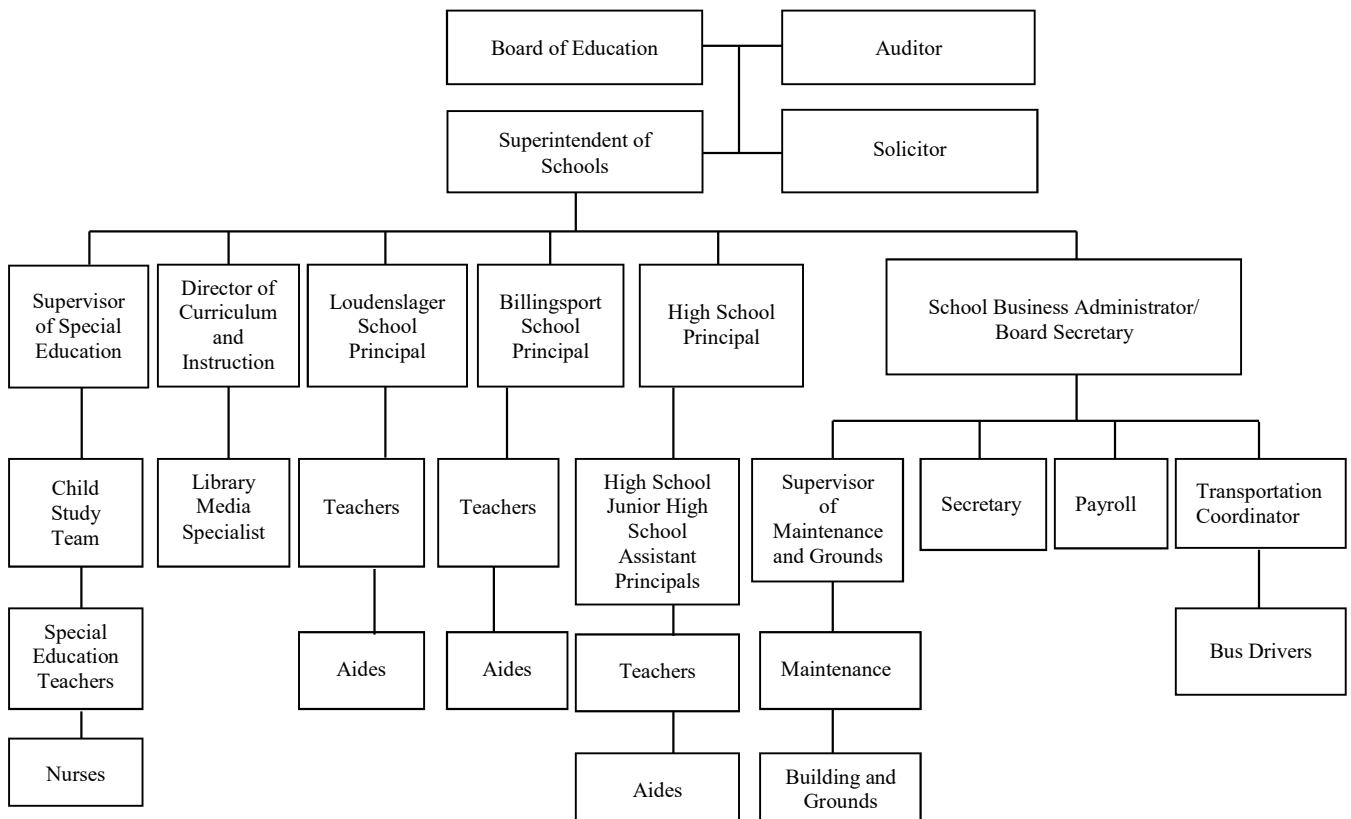
We would like to express our appreciation to the members of the Paulsboro Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of Paulsboro and thereby contributing their full support to the development and maintenance of our financial operation. The preparation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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Anisah Coppin". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Anisah Coppin
Business Administrator / Board Secretary

1110 ORGANIZATIONAL CHART



Adopted: 28 July 2021

**PAULSBORO SCHOOL DISTRICT
PAULSBORO, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2023**

Members of the Board of Education

TERM EXPIRES **

Joseph Lisa, President	2025
Danielle Scott, Vice President	2024
Michelle Baylor	2024
Theresa Cooper	2026
Frank Damminger	2025
Kyana T. Evans	2026
Lawrence Hayes, Sr.	2026
Tyesha Scott	2024
Markee Robinson	2024
Mrs. Roseanne Lombardo *	

Other Officials

Dr. Roy Dawson III, Superintendent
Anisah Coppin, Business Administrator/Board Secretary
Michelle Jankauskas, Treasurer
Frank P. Cavallo, Solicitor

* Greenwich Township Public Schools Representative

** Fiscal Year

**PAULSBORO SCHOOL DISTRICT
PAULSBORO, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2023**

AUDITOR/AUDIT FIRM

Chris Betley, CPA, PSA
Buckno Lisicky & Company
645 Hamilton Street
Allentown, PA 18101

ATTORNEY

Parker McCay
9000 Midlantic Drive
Mount Laurel, NJ 08054

OFFICIAL DEPOSITORY

OceanFirst Bank
303 Village Center Drive
Swedesboro, New Jersey 08085



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Certified Public Accountants | Business Consultants

INDEPENDENT AUDITORS' REPORT

To the Honorable President and
Members of the Board of Education
Paulsboro School District
Paulsboro, New Jersey 08066

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Paulsboro 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 Paulsboro 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.

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 Paulsboro 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 Paulsboro 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, the postemployment benefit plan

information, pension plan information, 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Paulsboro School District's basic financial statements. The major fund supporting statements and schedules is presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and is 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.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Section

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2024 on our consideration of the Paulsboro 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 Paulsboro 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 Paulsboro School District's internal control over financial reporting and compliance.

Respectfully submitted,



Buckno Lisicky & Company
Certified Public Accountants & Consultants



Type text here

Chris Betley
Certified Public Accountant
Public School Accountant No. 20CS00261700

Allentown, Pennsylvania
January 15, 2024

REQUIRED SUPPLEMENTARY INFORMATION - PART I

PAULSBORO SCHOOL DISTRICT

Management Discussion and Analysis For the Fiscal Year Ended June 30, 2023 Unaudited

The management's discussion and analysis of the Borough of Paulsboro School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023 and 2022. The intent of the discussion and analysis is to look at the School District's financial performance and review the notes to the basic financial statements to enhance the understanding of the School District's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

FINANCIAL HIGHLIGHTS

Financial Highlights for fiscal year 2023:

- The total assets and deferred outflows of resources of the School District exceeded its total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$14,589,853.66 (net position).
- The School District's total net position increased by \$3,898,633.08, from the prior fiscal year.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$5,438,444.69, an decrease of \$40,901.11 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements, and required supplementary information . The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements are government-wide financial statements that provide both short-term and long- term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District, reporting the School District's operations in more detail than the government-wide statements.
- Governmental funds statements tell how basic services like 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 businesses, such as food services.

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.

PAULSBORO SCHOOL DISTRICT

Management Discussion and Analysis For the Fiscal Year Ended June 30, 2023 Unaudited

Government-Wide Statements

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

The two government-wide statements report the School District's net position and how they have changed. Net position - the difference between the School District's assets and deferred outflows of resources and liabilities and deferred inflows of resources - are one way to measure the School District's financial health or position.

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

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

- Governmental activities - The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- Business-type activities - The School District charges fees to cover the costs of certain services such as food services.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds, focusing on the significant funds - not the School District as a whole. Funds are used by the School District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

The School District has two kinds of funds:

- Governmental funds - The School District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- Proprietary funds - These funds represent charges or fees for such activities as food services.

PAULSBORO SCHOOL DISTRICT
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

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

TABLE 1
Net Position

	<u>JUNE 30, 2023</u>	<u>JUNE 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 11,119,825.29	\$ 7,386,873.05	\$ 3,732,952.24	50.53%
Capital Assets, Net	<u>16,170,666.49</u>	<u>12,864,155.52</u>	<u>3,306,510.97</u>	25.70%
Total Assets	<u>27,290,491.78</u>	<u>20,251,028.57</u>	<u>7,039,463.21</u>	<u>34.76%</u>
Deferred Outflows Relating to Pensions	<u>540,871.00</u>	<u>407,370.00</u>	<u>133,501.00</u>	<u>32.77%</u>
Long-Term Liabilities	6,331,096.55	5,463,212.93	867,883.62	15.89%
Other Liabilities	<u>5,658,720.57</u>	<u>1,940,211.06</u>	<u>3,718,509.51</u>	<u>191.65%</u>
Total Liabilities	<u>11,989,817.12</u>	<u>7,403,423.99</u>	<u>4,586,393.13</u>	<u>61.95%</u>
Deferred Inflows Relating to Pensions	<u>1,251,692.00</u>	<u>2,563,754.00</u>	<u>(1,312,062.00)</u>	<u>-51.18%</u>
Net Position				
Net Investment in Capital Assets	14,013,666.49	10,498,928.12	3,514,738.37	33.48%
Restricted	5,133,325.12	5,547,175.63	(413,850.51)	-7.46%
Unrestricted	<u>(4,557,137.95)</u>	<u>(5,354,883.17)</u>	<u>797,745.22</u>	<u>-14.90%</u>
Total Net Position	<u>\$ 14,589,853.66</u>	<u>\$ 10,691,220.58</u>	<u>\$ 3,898,633.08</u>	<u>11.12%</u>

This is the eight year of implementation for Governmental Accounting Standards Board (GASB) 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 No. 68. Table 2 provides an illustration of the impact that GASBS 68 and 71 had to the School District's Unrestricted Net Position.

TABLE 2
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	\$ 540,871.00	\$ 407,370.00	\$ 133,501.00	32.77%
Less: Accounts Payable Related to Pensions	(290,619.00)	(261,018.00)	(29,601.00)	11.34%
Less: Net Pension Liability	(3,123,688.00)	(2,410,083.00)	(713,605.00)	29.61%
Less Deferred Inflows Related to Pensions	<u>(1,251,692.00)</u>	<u>(2,563,754.00)</u>	<u>1,312,062.00</u>	<u>-51.18%</u>
	<u>\$ (4,125,128.00)</u>	<u>\$ (4,827,485.00)</u>	<u>\$ 702,357.00</u>	<u>-10.23%</u>

PAULSBORO SCHOOL DISTRICT**Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited**

Table 3 reflects changes in net position for fiscal years 2023 and 2022.

TABLE 3
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>
Revenues				
Program Revenues:				
Charges for Services	\$ 1,332,404.48	\$ 1,328,402.21	\$ 4,002.27	0.30%
Federal and State Grants	8,184,572.70	7,797,913.69	386,659.01	4.96%
General Revenues:				
Property Taxes	6,878,204.00	6,742,788.00	135,416.00	2.01%
Federal and State Grants	23,039,755.43	17,905,510.90	5,134,244.53	28.67%
Other	201,512.44	291,444.37	(89,931.93)	-30.86%
Total Revenues	<u>39,636,449.05</u>	<u>34,066,059.17</u>	<u>5,570,389.88</u>	<u>5.08%</u>
Expenses				
Instruction:				
Regular	6,058,247.50	6,368,049.32	(309,801.82)	-4.86%
Special Education	4,196,346.77	4,077,988.81	118,357.96	2.90%
Basic Skills/Remedial	28,009.81	40,465.87	(12,456.06)	-30.78%
Bilingual Education	142,689.85	53,381.77	89,308.08	167.30%
School Sponsored Activities	585,428.73	584,015.22	1,413.51	0.24%
Other Instruction	15,284.45	9,410.00	5,874.45	62.43%
Support Services:				
Tuition	2,085,080.90	1,733,579.00	351,501.90	20.28%
Student and Instruction Related Services	4,779,649.92	3,521,561.60	1,258,088.32	35.73%
General Administrative	502,456.05	561,025.54	(58,569.49)	-10.44%
School Administrative Services	856,575.35	702,407.75	154,167.60	21.95%
Central Services	318,609.47	325,212.88	(6,603.41)	-2.03%
Administrative Information Technology	88,270.00	89,043.45	(773.45)	-0.87%
Plant Operations and Maintenance	1,909,785.16	2,134,925.56	(225,140.40)	-10.55%
Pupil Transportation	2,251,522.24	958,228.94	1,293,293.30	134.97%
Unallocated Benefits	9,781,171.51	7,818,976.66	1,962,194.85	25.10%
Transfer to Charter Schools	443,628.00	427,710.00	15,918.00	3.72%
Interest & Other Charges	78,916.00	80,836.97	(1,920.97)	-2.38%
Unallocated Depreciation	650,450.85	592,382.01	58,068.84	9.80%
Food Service	965,693.41	816,029.19	149,664.22	18.34%
Total Expenses	<u>35,737,815.97</u>	<u>30,895,230.54</u>	<u>4,842,585.43</u>	<u>440.84%</u>
Change in Net Position	3,898,633.08	3,170,828.63	727,804.45	22.95%
Beginning Net Position	<u>10,691,220.58</u>	<u>7,520,391.95</u>	<u>3,170,828.63</u>	<u>42.16%</u>
Ending Net Position	<u>\$14,589,853.66</u>	<u>\$10,691,220.58</u>	<u>\$ 3,898,633.08</u>	<u>36.47%</u>

PAULSBORO SCHOOL DISTRICT

Management Discussion and Analysis For the Fiscal Year Ended June 30, 2023 Unaudited

Governmental Activities

In 2022-2023, Governmental Activities Revenues were \$35,588,049.76 or 97.35% of total revenues. In 2021-2022, Governmental Activities Revenues were \$33,099,262.51 or 97.16% of total revenues.

In 2022-2023, General Revenues - Property Taxes of \$6,878,204.00 made up 22.84%, and General Revenues - Federal and State Grants of \$23,039,755.43 made up 76.49% of Governmental Activities Revenues. In 2021-2022, General Revenues - Property Taxes of \$6,742,788 made up 27.04%, and General Revenues - Federal and State Grants of \$17,905,510.9 made up 71.80% of Governmental Activities Revenues.

Business-Type Activities

In 2022-2023 Business-Type Activities Revenues were \$1,048,399.29 or 2.65% of total revenues. In 2021-2022 Business-Type Activities Revenues were \$996,796.66 or 2.84% of total revenues.

Charges for Services for Business-Type Activities were \$14,392.35 in 2022-2023 compared to \$8,335.06 in 2021-2022, an increase of \$6,057.29

Operating Grants and Contributions for Business-Type Activities were \$1,034,006.94 in 2022-2023 compared to \$958,461.60 in 2021-2022, an increase of \$75,545.34.

Expenses for Business-Type Activities were \$965,693.41 in 2022-2023 compared to \$816,029.19 in 2021-2022, an increase of \$149,664.22.

General Fund Budgeting Highlights

During the fiscal 2023 school year, the Board of Education amended its general fund appropriation budget as needed. The fiscal year 2023 appropriation budget of \$26,145,215 was \$93,828 less than the final fiscal year 2022 appropriation budget of \$26,239,043.00.

The final budgetary basis revenue estimate was \$24,732,520.00, which was equal to the original budget

The 2022-2023 General Fund Tax Levy was \$6,666,478 which was a 2% increase from the 2021-2022 General Fund Tax Levy.

The School District reported revenues and expenses of \$712,402.42, \$3,195,620.00, \$44,336.00, \$851,129.00 and \$1,388.00 in reimbursed T.P.A.F. Social Security Aid, T.P.A.F. Normal Pension Contributions, T.P.A.F Non-contributory Insurance, T.P.A.F. Post-Retirement Medical Contributions and T.P.A.F Long-Term Disability Insurance, respectively.

CAPITAL ASSETS

At the end of fiscal year 2023 and 2022, the School District had \$16,170,666.49 and \$12,864,155.52, respectively, in capital assets less accumulated depreciation. Table 4 reflects the balances of capital assets, net of accumulated depreciation.

PAULSBORO SCHOOL DISTRICT
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

TABLE 4
Capital Assets

Capital Assets (Net of Depreciation)	<u>JUNE 30, 2023</u>	<u>JUNE 30, 2022</u>
Land	\$ 99,211.00	\$ 99,211.00
Construction In Progress	2,580,053.00	7,632,987.37
Building and Improvements	11,363,883.92	3,540,495.99
Land Improvements	720,212.21	632,310.81
Furniture, Fixtures and Equipment	<u>1,407,306.36</u>	<u>959,150.35</u>
Total Capital Assets	<u>\$ 16,170,666.49</u>	<u>\$ 12,864,155.52</u>

Depreciation expense was \$651,639.81 and \$592,382.01 for fiscal years ended 2023 and 2022 respectively.

DEBT ADMINISTRATION

Long-term Debt - At the end of the current fiscal year, the School District had \$2,157,000.00 in bonded debt outstanding.

FUND BALANCES- FUND LEVEL STATEMENTS

Governmental Funds - As of the end of the current fiscal year, the School District's governmental funds reported combining ending fund balances of \$5,438,444.69, a decrease of 40,901.11 in comparison with the prior year.

Of the combined ending fund balances of \$5,438,444.69, \$392,124.93 constitutes unassigned fund balance deficits. The remainder of fund balance is made up of restricted for capital reserves of \$540,208.38, maintenance reserve of \$10,013.42, restricted excess surplus of \$3,806,926.94, restricted for capital projects of \$543,959.09, restricted debt service reserve of \$0, restricted for scholarships of \$194,469.42, restricted for student activities of \$37,747.87, and assigned for various purposes of \$64,313.77.

Proprietary Funds - As of the end of the current fiscal year, the School District's proprietary funds had \$338,825.04 in total net position.

FACTORS ON THE SCHOOL DISTRICT'S FUTURE

Paulsboro Public Schools anticipate that the approved 2023-2024 budget along with additional Emergency and Secondary School Emergency Relief Grant Funds (ESSER) will be adequate to meet the District's 2023-2024 financial needs. However, the current pandemic has caused prices to rise for most commodities. As the nation experiences high levels of inflation not seen in more than 40 years, the District anticipates challenges meeting its financial needs once emergency grant funds have been depleted.

PAULSBORO SCHOOL DISTRICT

Management Discussion and Analysis For the Fiscal Year Ended June 30, 2023 Unaudited

The Paulsboro Board of Education and School District administration are committed to work within the financial boundaries of the New Jersey Department of Education's rules and regulations to provide a quality education to the residents of Paulsboro Borough. Our standard operating procedures and internal controls will ensure continued success in today's challenging economic environment.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator/Board Secretary at:

Paulsboro Board of Education, 662 North Delaware Street, Paulsboro, NJ 08066

BASIC FINANCIAL STATEMENTS

A. GOVERNMENT WIDE FINANCIAL STATEMENTS

**PAULSBORO SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 5,511,938.67	\$ 210,847.86	\$ 5,722,786.53
Receivables, net (Note 4)	5,253,365.62	130,876.10	5,384,241.72
Inventory	-	12,797.04	12,797.04
Capital Assets, net (Note 6)			
Non-Depreciable	2,679,264.00	-	2,679,264.00
Depreciable	<u>13,482,930.23</u>	<u>8,472.26</u>	<u>13,491,402.49</u>
TOTAL ASSETS	<u>26,927,498.52</u>	<u>362,993.26</u>	<u>27,290,491.78</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 8)	<u>540,871.00</u>	<u>-</u>	<u>540,871.00</u>
LIABILITIES			
Accounts Payable			
Related to Pension	290,619.00	-	290,619.00
Other	4,729,782.31	24,168.22	4,753,950.53
Payroll Deductions and Withholdings	122,130.21	-	122,130.21
Due to Other Governments	58,981.98	-	58,981.98
Unearned Revenue	415,965.10	-	415,965.10
Accrued Interest	17,073.75	-	17,073.75
Noncurrent Liabilities (Note 7):			
Due Within One Year	145,000.00	-	145,000.00
Due in More Than One Year	<u>6,186,096.55</u>	<u>-</u>	<u>6,186,096.55</u>
Total Liabilities	<u>11,965,648.90</u>	<u>24,168.22</u>	<u>11,989,817.12</u>
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions (Note 8)	<u>1,251,692.00</u>	<u>-</u>	<u>1,251,692.00</u>
NET POSITION:			
Net Investment in Capital Assets	14,005,194.23	8,472.26	14,013,666.49
Restricted for:			
Capital Projects	1,084,167.47	-	1,084,167.47
Other purposes	4,049,157.65	-	4,049,157.65
Unrestricted (Deficit)	<u>(4,887,490.73)</u>	<u>330,352.78</u>	<u>(4,557,137.95)</u>
Total Net Position	<u>\$ 14,251,028.62</u>	<u>\$ 338,825.04</u>	<u>\$ 14,589,853.66</u>

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

**PAULSBORO SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
GOVERNMENTAL ACTIVITIES							
Instruction:							
Regular	\$ 6,058,247.50	\$ 1,277,402.72	\$ -	\$ -	\$ (4,780,844.78)	\$ -	\$ (4,780,844.78)
Special Education	4,196,346.77	-	2,269,584.84	-	(1,926,761.93)	-	(1,926,761.93)
Basic Skills/Remedial	28,009.81	-	-	-	(28,009.81)	-	(28,009.81)
Bilingual Education	142,689.85	-	-	-	(142,689.85)	-	(142,689.85)
School Sponsored Activities	585,428.73	-	-	-	(585,428.73)	-	(585,428.73)
Other Instruction	15,284.45	-	-	-	(15,284.45)	-	(15,284.45)
Support Services:							
Tuition	2,085,080.90	-	-	-	(2,085,080.90)	-	(2,085,080.90)
Student and Instruction Related Services	4,779,649.92	40,609.41	76,105.50	-	(4,662,935.01)	-	(4,662,935.01)
General Administrative	502,456.05	-	-	-	(502,456.05)	-	(502,456.05)
School Administrative Services	856,575.35	-	-	-	(856,575.35)	-	(856,575.35)
Central Services	318,609.47	-	-	-	(318,609.47)	-	(318,609.47)
Administrative Information Technology	88,270.00	-	-	-	(88,270.00)	-	(88,270.00)
Plant Operations and Maintenance	1,909,785.16	-	-	-	(1,909,785.16)	-	(1,909,785.16)
Pupil Transportation	2,251,522.24	-	-	-	(2,251,522.24)	-	(2,251,522.24)
Unallocated Benefits	9,781,171.51	-	4,804,875.42	-	(4,976,296.09)	-	(4,976,296.09)
Transfer to Charter Schools	443,628.00	-	-	-	(443,628.00)	-	(443,628.00)
Interest & Other Charges	78,916.00	-	-	-	(78,916.00)	-	(78,916.00)
Unallocated Depreciation	650,450.85	-	-	-	(650,450.85)	-	(650,450.85)
TOTAL GOVERNMENTAL ACTIVITIES	34,772,122.56	1,318,012.13	7,150,565.76	-	(26,303,544.67)	-	(26,303,544.67)
BUSINESS TYPE ACTIVITIES							
Food Service	965,693.41	14,392.35	1,034,006.94	-	-	82,705.88	82,705.88
TOTAL BUSINESS TYPE ACTIVITIES	965,693.41	14,392.35	1,034,006.94	-	-	82,705.88	82,705.88
TOTAL PRIMARY GOVERNMENT	\$ 35,737,815.97	\$ 1,332,404.48	\$ 8,184,572.70	\$ -	(26,303,544.67)	82,705.88	(26,220,838.79)
GENERAL REVENUES							
Taxes:							
Property Taxes, Levied for General Purposes					6,666,478.00	-	6,666,478.00
Property Taxes, Levied for Debt Service					211,726.00	-	211,726.00
Federal & State Aid Restricted					5,753,668.02	-	5,753,668.02
Federal & State Aid Not Restricted					17,286,087.41	-	17,286,087.41
Miscellaneous					201,512.44	-	201,512.44
TOTAL GENERAL REVENUES					30,119,471.87	-	30,119,471.87
CHANGE IN NET POSITION					3,815,927.20	82,705.88	3,898,633.08
NET POSITION - BEGINNING					10,435,101.42	256,119.16	10,691,220.58
NET POSITION - ENDING					\$ 14,251,028.62	\$ 338,825.04	\$ 14,589,853.66

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

B. FUND FINANCIAL STATEMENTS

PAULSBORO SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 4,663,242.52	\$ 847,699.70	\$ 996.45	\$ -	\$ 5,511,938.67
Interfund Receivable	1,871,139.82	-	1,162,441.44	-	3,033,581.26
Due from Other Governments:					
Federal	-	3,252,944.84	-	-	3,252,944.84
State	619,397.72	14,241.65	1,251,661.02	-	1,885,300.39
Other	115,120.39	-	-	-	115,120.39
TOTAL ASSETS	\$ 7,268,900.45	\$ 4,114,886.19	\$ 2,415,098.91	\$ -	\$ 13,798,885.55
LIABILITIES & FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,484,501.93	\$ 2,245,280.38	\$ -	\$ -	\$ 4,729,782.31
Payroll Deductions and Withholdings	122,130.21	-	-	-	122,130.21
Due to Other Governments	-	58,981.98	-	-	58,981.98
Interfund Payable	-	1,162,441.44	1,871,139.82	-	3,033,581.26
Unearned Revenue	-	415,965.10	-	-	415,965.10
TOTAL LIABILITIES	2,606,632.14	3,882,668.90	1,871,139.82	-	8,360,440.86
FUND BALANCES					
Restricted for:					
Capital Reserve	540,208.38	-	-	-	540,208.38
Maintenance Reserve	10,013.42	-	-	-	10,013.42
Excess Surplus - Current Year	767,396.67	-	-	-	767,396.67
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	3,039,530.27	-	-	-	3,039,530.27
Capital Projects	-	-	543,959.09	-	543,959.09
Debt Service	-	-	-	-	-
Scholarships	-	194,469.42	-	-	194,469.42
Student Activities	-	37,747.87	-	-	37,747.87
Assigned to:					
Designated for Subsequent Years' Expenditures	632,930.73	-	-	-	632,930.73
Other Purposes	64,313.77	-	-	-	64,313.77
Unassigned	(392,124.93)	-	-	-	(392,124.93)
TOTAL FUND BALANCES	4,662,268.31	232,217.29	543,959.09	-	5,438,444.69
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,268,900.45	\$ 4,114,886.19	\$ 2,415,098.91	\$ -	

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 \$30,209,353.36 and the accumulated depreciation is \$14,047,159.13.	16,162,194.23
Interest on long-term debt in the statement of activities is accrued, regardless of when due	(17,073.75)
Net Pension Liability	(3,123,688.00)
Accounts Payable related to April 1, 2024 required PERS pension contributions that is not to be liquidated with current financial resources	(290,619.00)
Deferred Outflows Related to Pensions	540,871.00
Deferred Inflows Related to Pensions	(1,251,692.00)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds	(3,207,408.55)
Net Position of Governmental Activities	\$ 14,251,028.62

**PAULSBORO SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 6,666,478.00	\$ -	\$ -	\$ 211,726.00	\$ 6,878,204.00
Tuition Charges	1,277,402.72	-	-	-	1,277,402.72
Miscellaneous	67,557.53	133,954.91	-	-	201,512.44
Total Local Sources	<u>8,011,438.25</u>	<u>133,954.91</u>	<u>-</u>	<u>211,726.00</u>	<u>8,357,119.16</u>
State Sources	21,985,373.42	1,171,633.36	-	-	23,157,006.78
Federal Sources	105,589.41	6,968,334.41	-	-	7,073,923.82
TOTAL REVENUES	<u>30,102,401.08</u>	<u>8,273,922.68</u>	<u>-</u>	<u>211,726.00</u>	<u>38,588,049.76</u>
EXPENDITURES					
Instruction:					
Regular Instruction	6,058,247.50	-	-	-	6,058,247.50
Special Education Instruction	1,926,761.93	2,269,584.84	-	-	4,196,346.77
Basic Skills/Remedial	28,009.81	-	-	-	28,009.81
Bilingual Education	142,689.85	-	-	-	142,689.85
School Sponsored Activities	585,428.73	-	-	-	585,428.73
Other Instruction	15,284.45	-	-	-	15,284.45
Support Services and Undistributed Costs:					
Tuition	2,085,080.90	-	-	-	2,085,080.90
Student and Instruction Related Services	2,662,501.58	2,117,148.34	-	-	4,779,649.92
General Administrative	502,456.05	-	-	-	502,456.05
School Administrative Services	856,575.35	-	-	-	856,575.35
Central Services	318,609.47	-	-	-	318,609.47
Administrative Information Technology	88,270.00	-	-	-	88,270.00
Plant Operations and Maintenance	1,909,785.16	-	-	-	1,909,785.16
Pupil Transportation	2,319,749.64	-	-	-	2,319,749.64
Unallocated Benefits	5,316,147.07	-	-	-	5,316,147.07
Reimbursed TPAF Pension and Social Security	4,804,875.42	-	-	-	4,804,875.42
Transfer to Charter Schools	443,628.00	-	-	-	443,628.00
Capital Outlay	110,307.15	3,847,843.63	-	-	3,958,150.78
Debt Service:					
Principal	-	-	-	140,000.00	140,000.00
Interest and Other Charges	7,471.00	-	-	72,495.00	79,966.00
TOTAL EXPENDITURES	<u>30,181,879.06</u>	<u>8,234,576.81</u>	<u>-</u>	<u>212,495.00</u>	<u>38,628,950.87</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(79,477.98)</u>	<u>39,345.87</u>	<u>-</u>	<u>(769.00)</u>	<u>(40,901.11)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	31,962.00	-	-	0.08	31,962.08
Transfers Out	(0.08)	-	(31,962.00)	-	(31,962.08)
TOTAL OTHER FINANCING SOURCES (USES)	<u>31,961.92</u>	<u>-</u>	<u>(31,962.00)</u>	<u>0.08</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>(47,516.06)</u>	<u>39,345.87</u>	<u>(31,962.00)</u>	<u>(768.92)</u>	<u>(40,901.11)</u>
FUND BALANCE, JULY 1	4,709,784.37	192,871.42	575,921.09	768.92	5,479,345.80
FUND BALANCE, JUNE 30	<u>\$ 4,662,268.31</u>	<u>\$ 232,217.29</u>	<u>\$ 543,959.09</u>	<u>\$ -</u>	<u>\$ 5,438,444.69</u>

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

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

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ (40,901.11)

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

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

Depreciation Expense	\$ (650,450.85)	
Capital Outlays	<u>3,958,150.78</u>	3,307,699.93

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities		140,000.00
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Repayment of financed purchases payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities		68,227.40
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In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		1,050.00
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(362,506.02)
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Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as a pension expense. This is the amount by which pension benefits earned exceed the School District's pension contributions in the current period.		<u>702,357.00</u>
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Change in Net Position of Governmental Activities		<u>\$ 3,815,927.20</u>
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**PAULSBORO SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2023**

	<u>Food Service</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 210,847.86
Accounts Receivable:	
Federal	128,218.45
State	2,657.65
Inventories	<u>12,797.04</u>
TOTAL CURRENT ASSETS	<u>354,521.00</u>
NONCURRENT ASSETS	
Capital Assets	98,709.00
Less: Accumulated Depreciation	<u>(90,236.74)</u>
TOTAL NONCURRENT ASSETS	<u>8,472.26</u>
TOTAL ASSETS	<u>\$ 362,993.26</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	\$ 24,168.22
TOTAL CURRENT LIABILITIES	<u>24,168.22</u>
NET POSITION	
Net Investment in Capital Assets	8,472.26
Unrestricted	<u>330,352.78</u>
TOTAL NET POSITION	<u>\$ 338,825.04</u>

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

**PAULSBORO SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2023**

	<u>Food Service</u>
OPERATING REVENUES	
Charges for Services:	
Daily Sales - Non-Reimbursable Programs	\$ 14,392.35
TOTAL OPERATING REVENUES	<u>14,392.35</u>
OPERATING EXPENSES	
Salaries	291,598.16
Employee Benefits	60,788.19
Purchased Professional and Technical Services	44,422.95
Supplies and Materials	48,543.03
Depreciation	1,188.96
Costs of Sales - Reimbursable	486,108.81
Costs of Sales - Non Reimbursable	6,766.15
Other Purchased Services	9,674.41
Insurance	9,919.64
Miscellaneous	6,683.11
TOTAL OPERATING EXPENSES	<u>965,693.41</u>
OPERATING LOSS	<u>(951,301.06)</u>
NONOPERATING REVENUES (EXPENSES)	
State Sources:	
State School Lunch Program	9,352.21
State Breakfast After the Bell	7,740.70
Federal Sources:	
Summer Food Service Program (SFSP)	15,737.04
Federal Lunch Program	591,861.29
Federal Breakfast Program	233,085.66
Federal Supply Chain Assistance	67,697.34
Food Distribution Program	108,532.70
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1,034,006.94</u>
CHANGE IN NET POSITION	82,705.88
Total Net Position - Beginning	<u>256,119.16</u>
Total Net Position - Ending	<u>\$ 338,825.04</u>

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

**PAULSBORO SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023**

	Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 14,392.35
Payments to Employees	(352,386.35)
Payments to Suppliers	(466,438.67)
NET CASH PROVIDED BY/(USED FOR) OPERATING ACTIVITIES	(804,432.67)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating Subsidies and Transfers to (from) Other Funds	69,112.66
State Sources	15,112.72
Federal Sources	819,764.84
NET CASH PROVIDED BY/(USED FOR) NONCAPITAL FINANCING ACTIVITIES	903,990.22
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 99,557.55
Balances - Beginning of Year	111,290.31
Balances - End of Year	\$ 210,847.86
 RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED BY/(USED FOR) OPERATING ACTIVITIES	
Operating Income/(Loss)	\$ (951,301.06)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Depreciation	1,188.96
Food Distribution Program	108,532.70
(Increase)/Decrease in Inventories	16,544.72
Increase/(Decrease) in Accounts Payable	20,602.01
Total Adjustments	146,868.39
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	\$ (804,432.67)

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Paulsboro 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 II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades pre-K through 12 at its four schools. The School District has an approximate enrollment at June 30, 2023 of 1,286.

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 property taxes 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. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

In regards 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.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Gloucester County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

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, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, 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.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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, ad valorem tax revenues, 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.

The School District reports the following major governmental funds:

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 debt service or 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.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

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. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Funds

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

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 property taxes.

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. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 1SA:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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.

The budget, as detailed on exhibit C-1, exhibit C-2, and exhibit 1-4, 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, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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.

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.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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 as of 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 owned 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. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

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. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	3 – 20 years
Buildings and Improvements	20 - 50 years
Land Improvements	10 – 50 years

The School District does not possess any infrastructure assets

Deferred Outflows of Resources and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets,

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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 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.

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

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.

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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, 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.

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 96, Subscription-Based Information Technology Arrangements. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has determined the impact is immaterial to the School District's financial statements.

Recently Issued and Adopted Accounting Pronouncements

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

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

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 \$6,049,188.93 were exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 4,906,910.38
Uninsured and Uncollateralized	<u>1,142,278.55</u>
Total	<u>\$ 6,049,188.93</u>

PAULSBORO SCHOOL DISTRICT

**Notes to the Financial Statements
June 30, 2023**

NOTE 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1.00 on October 19, 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 July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$ 508,246.38
Increased by:	
Transfer from Capital Projects	<u>31,962.00</u>
	540,208.38
Decreased by:	
Budget Withdrawals	<u>-</u>
Ending Balance, June 30, 2023	<u>\$ 540,208.38</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted projects at June 30, 2023 is \$3,640,621.00.

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:

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

Description	Governmental Activities			Total Governmental Activities	Proprietary Funds	
	General Fund	Special Revenue Fund	Capital Projects Fund		Food Service Fund	Total
Federal Awards	\$ -	\$3,252,944.84	\$ -	\$3,252,944.84	\$ 128,218.45	\$ 3,381,163.29
State Awards	619,397.72	14,241.65	1,251,661.02	1,885,300.39	2,657.65	1,887,958.04
Other	115,120.39	-	-	115,120.39	-	115,120.39
Total	\$ 734,518.11	\$3,267,186.49	\$1,251,661.02	\$5,253,365.62	\$ 130,876.10	\$ 5,384,241.72

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	\$ 10,674.04
Supplies	<u>2,123.00</u>
Total	<u>\$ 12,797.04</u>

NOTE 6: CAPITAL ASSETS

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

	Governmental Activities				Balance June 30, 2023
	Balance July 1, 2022	Increases	Decreases	Transfers	
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 99,211.00	\$ -	\$ -	\$ -	\$ 99,211.00
Construction in Progress	<u>7,632,987.37</u>	<u>2,000,740.00</u>	<u>-</u>	<u>(7,053,674.37)</u>	<u>2,580,053.00</u>
Total Capital Assets not being depreciated	<u>7,732,198.37</u>	<u>2,000,740.00</u>	<u>-</u>	<u>(7,053,674.37)</u>	<u>2,679,264.00</u>
Capital Assets being depreciated:					
Furniture, Fixtures and Equipment	4,822,178.34	745,494.29	-	-	5,567,672.63
Buildings and Improvements	11,244,919.45	1,054,914.65	-	7,053,674.37	19,353,508.47
Land Improvements	<u>2,451,906.42</u>	<u>157,001.84</u>	<u>-</u>	<u>-</u>	<u>2,608,908.26</u>
Total Capital Assets being depreciated	<u>18,519,004.21</u>	<u>1,957,410.78</u>	<u>-</u>	<u>7,053,674.37</u>	<u>27,530,089.36</u>
Less: Accumulated Depreciation:					
Furniture, Fixtures and Equipment	(3,872,689.21)	(296,149.32)	-	-	(4,168,838.53)
Buildings and Improvements	(7,704,423.46)	(285,201.09)	-	-	(7,989,624.55)
Land Improvements	<u>(1,819,595.61)</u>	<u>(69,100.44)</u>	<u>-</u>	<u>-</u>	<u>(1,888,696.05)</u>
Total Accumulated Depreciation	<u>(13,396,708.28)</u>	<u>(650,450.85)</u>	<u>-</u>	<u>-</u>	<u>(14,047,159.13)</u>
Total Capital Assets being depreciated, net	<u>5,122,295.93</u>	<u>1,306,959.93</u>	<u>-</u>	<u>7,053,674.37</u>	<u>13,482,930.23</u>
Governmental Activities Capital Assets, net	<u>\$ 12,854,494.30</u>	<u>\$ 3,307,699.93</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,162,194.23</u>

	Business-Type Activities				Balance June 30, 2023
	Balance July 1, 2022	Increases	Decreases	Transfers	
Business-Type Activities:					
Capital Assets being depreciated:					
Furniture, Fixtures and Equipment	\$ 98,709.00	\$ -	\$ -	\$ -	\$ 98,709.00
Less: Accumulated Depreciation:					
Furniture, Fixtures and Equipment	<u>(89,047.78)</u>	<u>(1,188.96)</u>	<u>-</u>	<u>-</u>	<u>(90,236.74)</u>
Business-Type Activities Capital, net	<u>\$ 9,661.22</u>	<u>\$ (1,188.96)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,472.26</u>

Depreciation expense was not charged to the various functions/ programs of the School District.

NOTE 7: LONG-TERM LIABILITIES

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

Governmental Activities:	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Balance Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 2,297,000.00	\$ -	\$ (140,000.00)	\$ 2,157,000.00	\$ 145,000.00
Other Liabilities:					
Financed Purchases Payable	68,227.40	-	(68,227.40)	-	-
Compensated Absences	687,902.53	362,506.02	-	1,050,408.55	-
Net Pension Liability	<u>2,410,083.00</u>	<u>2,372,667.00</u>	<u>(1,659,062.00)</u>	<u>3,123,688.00</u>	<u>-</u>
Total Other Liabilities	<u>3,166,212.93</u>	<u>2,735,173.02</u>	<u>(1,727,289.40)</u>	<u>4,174,096.55</u>	<u>-</u>
	<u>\$ 5,463,212.93</u>	<u>\$ 2,735,173.02</u>	<u>\$ (1,867,289.40)</u>	<u>\$ 6,331,096.55</u>	<u>\$ 145,000.00</u>

The bonds payable are generally liquidated by the debt service fund, while the compensated absences, net pension liability, and financed purchases are liquidated by the general fund.

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

On April 1, 2015, the School District issued \$3,132,000.00 general obligation bonds at interest rates varying from 3.00% to 3.50% for various construction and renovation projects. The final maturity of these bonds is April 1, 2035. The bonds will be paid from property taxes.

Principal and interest due on bonds outstanding is as follows:

Fiscal Year Ending	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024		\$ 145,000.00	\$ 68,295.00	\$ 213,295.00
2025		150,000.00	63,945.00	213,945.00
2026		155,000.00	59,445.00	214,445.00
2027		165,000.00	54,795.00	219,795.00
2028		170,000.00	49,845.00	219,845.00
2029-2033		950,000.00	167,237.50	1,117,237.50
2034-2035		<u>422,000.00</u>	<u>22,190.00</u>	<u>444,190.00</u>
		<u>\$ 2,157,000.00</u>	<u>\$ 485,752.50</u>	<u>\$ 2,642,752.50</u>

Bonds Authorized but not Issued - As of June 30, 2023, the School District had no authorizations to issue additional bonded debt.

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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

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, which is a defined contribution pension plan. The DCRP is administered by Prudential Financial for the Division.

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>

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 Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.).

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier Definition

1. Members who were enrolled prior to July 1, 2007
2. Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3. Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
4. Members who were eligible to enroll after May 21, 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, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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.

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 unfunded accrued liability. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

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 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 \$2,973,246, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$957,230.45.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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 unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 17.52% 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.

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 \$261,018.00, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$162,302.26.

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, to Prudential Financial no later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2023, employee contributions totaled \$37,943.07, and the School District recognized pension expense, which equaled the required contributions, of \$28,249.87. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension 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:

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>36,653,216.00</u>
		<u>\$ 36,653,216.00</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,

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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. 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 0.0710410524%, which was a decrease of 0.0060390644% from its proportion measured as of June 30, 2021.

Pension Expense - For the fiscal year ended June 30, 2023, the School District recognized \$986,440 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plan's June 30, 2022 measurement date.

Public Employees' Retirement System

Pension Liability - At June 30, 2023, the School District reported a liability of \$3,123,688 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 0.0206984980%, which was an increase of 0.0003542320% from its proportion measured as of June 30, 2021.

Pension Expense - For the fiscal year ended June 30, 2023, the School District recognized pension expense of \$(441,341), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2022 measurement date.

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:

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 22,545.00	\$ 19,882.00
Changes of Assumptions	9,678.00	467,740.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	129,287.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	88,742.00	764,070.00
School District contributions subsequent to measurement date	<u>290,619.00</u>	<u>-</u>
	<u>\$ 540,871.00</u>	<u>\$ 1,251,692.00</u>

Deferred outflows of resources in the amount of \$290,619 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:

**Year Ending
June 30,**

2024	\$ (200,288.00)
2025	(200,588.00)
2026	(200,588.00)
2027	(200,588.00)
2028	<u>(199,388.00)</u>
	<u>\$ (1,001,440.00)</u>

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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

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

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases: (1)	2.75% - 5.65%	2.75% - 6.55%
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

(1) based on years of service

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.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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 through 2062 and the municipal bond rate was applied to projected benefit payments after that date 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 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 all projected benefit payments to determine the total pension liability.

Sensitivity of School District's 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,

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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:

	TPAF		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 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>43,045,121.00</u>	<u>36,653,216.00</u>	<u>31,376,389.00</u>
	<u>\$ 43,045,121.00</u>	<u>\$ 36,653,216.00</u>	<u>\$ 31,376,389.00</u>

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:

	PERS		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	<u>\$ 4,047,011.00</u>	<u>\$ 3,123,688.00</u>	<u>\$ 2,386,872.00</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.

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, 2023, the OPEB Plan’s measurement date, the entire State Health Benefit Local Educations 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> -</u>
	<u>364,817</u>

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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 \$50,516,385.00. 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 0.099743164757%, which was an increase of 0.0009677135576845% 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 used the following actuarial assumptions, applied to all periods in the measurement:

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

* based on service years

Mortality Rates - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2022. Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2022.

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 is initially 6.25% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% 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%.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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.

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:

Changes for the Year	
Service Cost	\$ 1,987,472.00
Interest Cost	1,338,740.00
Difference Between Expected & Actual Experience	2,752,339.00
Changes of Assumptions	(13,551,474.00)
Contributions: Member	42,541.00
Gross Benefit Payments	<u>(1,326,061.00)</u>
 Net Change in Total OPEB Liability	 (8,756,443.00)
 Total OPEB Liability (Beginning)	 <u>59,272,828.00</u>
 Total OPEB Liability (Ending)	 <u>\$ 50,516,385.00</u>

Changes in benefits reflect an increase in the liability from June 30, 2021 to June 30, 2022 due to employers adopting Chapter 48 provisions

Differences between expected and actual experience reflect an increase in liability from June 30, 2022 to June 30, 2023 due to changes in the census, claims, and premiums experience.

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 (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total Obligations Associated with the School District	<u>\$ 59,376,697.00</u>	<u>\$ 50,516,385.00</u>	<u>\$ 43,415,288.00</u>

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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 Rate</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of Total Obligations Associated with the School District	<u>\$ 41,754,880.00</u>	<u>\$ 50,516,385.00</u>	<u>\$ 62,025,154.00</u>

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 \$358,734.00 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 GASB 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>
Differences between Expected & Actual Experience	\$ 9,019,179.00	\$ 15,423,236.00
Differences between Expected & Actual Earnings on OPEB Plan Investments	-	-
Change in Assumptions	8,743,107.00	17,193,018.00
Change in Proportion	<u>663,104.00</u>	<u>3,162,195.00</u>
	<u>\$ 18,425,390.00</u>	<u>\$ 35,778,449.00</u>

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:

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

Measurement Period
Ending June 30,

2023	\$	(3,010,505.00)
2024		(3,010,505.00)
2025		(3,010,505.00)
2026		(2,669,681.00)
2027		(1,740,574.00)
Thereafter		<u>(3,911,289.00)</u>
	\$	<u>(17,353,059.00)</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 \$3,195,620.00, \$44,336.00, \$851,129.00, and \$1,388.00, 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 School Alliance Insurance Fund. The Fund provides its members with the following coverage:

- General and Auto Liability
- Property and Audit Physical Damage
- Boiler and Machinery
- Comprehensive Crime Coverage
- Environmental Impairment Liability
- Excess Liability
- School Leaders Professional Liability

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

School Alliance Insurance Fund
 51 Everett Drive, Suite B-40
 West Windsor, New Jersey 08550

PAULSBORO SCHOOL DISTRICT

**Notes to the Financial Statements
June 30, 2023**

NOTE 12: DEFERRED COMPENSATION

The School District offers its employees a choice of several 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:

Lincoln Investment Planning
AXA Equitable
Thomas Seely Agency, Inc.
Syracusa

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 three personal days which 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 and on the proprietary fund statement of net position was \$1,050,408.55 and \$0, respectively.

NOTE 14: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Fund	Interfunds Receivable	Interfunds Payable
General	\$1,871,139.82	\$ -
Special Revenue	-	1,162,441.44
Capital Projects	<u>1,162,441.44</u>	<u>1,871,139.82</u>
Total	<u>\$ 3,033,581.26</u>	<u>\$ 3,033,581.26</u>

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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.

Transfers – During the year ended June 30, 2023, the capital fund transferred \$31,962.00 to the general fund for unexpended balances in capital projects. The general fund transferred .08 to the debt service fund to cover deficit.

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.

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: DEFICIT FUND BALANCES

The School District has a deficit unassigned fund balance of \$392,124.93 in the general fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$392,124.93 is less than the June state aid payments.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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. The School District does not have any non-spendable 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;
- 2) or 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 Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation. New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$767,396.67. Additionally, \$3,039,530.27 of excess fund balance generated during 2021-2022 has been restricted and designated for utilization in the 2023-2024 budget.

For Capital Reserve Account - As of June 30, 2023, the balance in the capital reserve account is \$540,208.38. 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 \$10,013.42. 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 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 \$194,469.42.

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

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 \$37,747.87.

Capital Projects Fund - As of June 30, 2023, the balance in the capital projects fund is \$543,949.09, which is restricted for approved projects.

Debt Service Fund – The debt service fund had a fund balance of \$0 at June 30, 2023.

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 School District did not authorize any specific commitments of the School District's fund balance.

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:

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue, in addition to the required 2021-2022 excess surplus, for the fiscal year ending June 30, 2024 \$632,930.73 of general fund balance at June 30, 2023.

Other Purposes - As of June 30, 2023, the School District had \$64,313.77 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

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, the fund balance of the general fund was a deficit of \$392,124.93, thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 17, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June

PAULSBORO SCHOOL DISTRICT

Notes to the Financial Statements

June 30, 2023

state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$392,124.93 is less than the last state aid payment.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
LOCAL SOURCES:					
Local Tax Levy	\$ 6,666,478.00	\$ -	\$ 6,666,478.00	\$ 6,666,478.00	\$ -
Tuition From Other LEAs Within State	1,250,924.00	-	1,250,924.00	1,277,402.72	26,478.72
Unrestricted Miscellaneous Revenues	100,050.00	-	100,050.00	67,557.53	(32,492.47)
TOTAL LOCAL SOURCES	8,017,452.00	-	8,017,452.00	8,011,438.25	(6,013.75)
STATE SOURCES:					
School Choice Aid	22,285.00	-	22,285.00	22,285.00	-
Categorical Transportation Aid	179,476.00	-	179,476.00	179,476.00	-
Categorical Special Education Aid	715,226.00	-	715,226.00	715,226.00	-
Equalization Aid	14,991,965.00	-	14,991,965.00	14,991,965.00	-
Categorical Security Aid	498,216.00	-	498,216.00	498,216.00	-
Maintenance of Equity State Aid	-	-	-	309,100.00	309,100.00
Extraordinary Aid	250,000.00	-	250,000.00	612,810.00	362,810.00
Homeless Tuition Reimbursement	-	-	-	2,338.00	2,338.00
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	712,402.42	712,402.42
On Behalf TPAF Pension Contributions (Nonbudgeted):					
Post Retirement Medical	-	-	-	851,129.00	851,129.00
Teacher's Pension and Annuity Fund	-	-	-	3,195,620.00	3,195,620.00
Non-Contributory Insurance	-	-	-	44,336.00	44,336.00
Long-Term Disability Insurance	-	-	-	1,388.00	1,388.00
TOTAL STATE SOURCES	16,657,168.00	-	16,657,168.00	22,136,291.42	5,479,123.42
FEDERAL SOURCES					
Medicaid Reimbursement	57,900.00	-	57,900.00	96,464.85	38,564.85
Medicaid Reimbursement - FFCRA	-	-	-	9,124.56	9,124.56
TOTAL FEDERAL SOURCES	57,900.00	-	57,900.00	105,589.41	47,689.41
TOTAL REVENUES	24,732,520.00	-	24,732,520.00	30,253,319.08	5,520,799.08
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	354,803.00	(15,721.60)	339,081.40	339,081.40	-
Grades 1-5 - Salaries of Teachers	1,884,393.00	(192,221.52)	1,692,171.48	1,691,659.17	512.31
Grades 6-8 - Salaries of Teachers	956,273.00	44,058.22	1,000,331.22	1,000,331.02	0.20
Grades 9-12 - Salaries of Teachers	2,083,447.00	121,271.03	2,204,718.03	2,204,718.03	-
Regular Programs - Home Instruction:					
Salaries of Teachers	30,500.00	37,830.00	68,330.00	68,330.00	-
Purchased Professional - Educational Services	30,500.00	(5,960.00)	24,540.00	21,238.82	3,301.18
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	780.00	20.00	800.00	800.00	-
Unused Vacation Payment to Staff	-	-	-	-	-
Purchased Professional - Educational Services	180,900.00	(11,210.34)	169,689.66	169,424.88	264.78
Purchased Technical Services	97,600.00	(26,347.34)	71,252.66	70,540.56	712.10
Other Purchased Services	58,300.00	(4,500.00)	53,800.00	44,203.92	9,596.08
General Supplies	251,979.00	8,245.49	260,224.49	251,442.44	8,782.05
Textbooks	224,000.00	(28,324.22)	195,675.78	195,349.01	326.77
Other Objects	1,500.00	980.50	2,480.50	1,128.25	1,352.25
TOTAL REGULAR PROGRAMS - INSTRUCTION	6,154,975.00	(71,879.78)	6,083,095.22	6,058,247.50	24,847.72
SPECIAL EDUCATION - INSTRUCTION:					
LEARNING AND/OR LANGUAGE DISABILITIES:					
Salaries of Teachers	660,045.00	134,288.75	794,333.75	794,332.95	0.80
Other Salaries for Instruction	183,437.00	(24,023.55)	159,413.45	159,292.45	121.00
General Supplies	5,619.00	(705.02)	4,913.98	4,385.48	528.50
TOTAL LEARNING AND/OR LANGUAGE DISABILITIES	849,101.00	109,560.18	958,661.18	958,010.88	650.30
SPECIAL EDUCATION - INSTRUCTION:					
BEHAVIORAL DISABILITIES:					
Salaries of Teachers	275,992.00	(35,766.90)	240,225.10	240,225.10	-
Other Salaries for Instruction	108,164.00	(27,040.92)	81,123.08	81,123.00	0.08
General Supplies	292.00	1,495.98	1,787.98	700.35	1,087.63
TOTAL BEHAVIORAL DISABILITIES	384,448.00	(61,311.84)	323,136.16	322,048.45	1,087.71
MULTIPLE DISABILITIES:					
Salaries of Teachers	312,131.00	(30,503.90)	281,627.10	281,358.18	268.92
Other Salaries for Instruction	107,922.00	(18,686.70)	89,235.30	88,787.10	448.20
General Supplies	73.00	2,118.64	2,191.64	2,191.64	-
TOTAL MULTIPLE DISABILITIES	420,126.00	(47,071.96)	373,054.04	372,336.92	717.12
RESOURCE ROOM/RESOURCE CENTER:					
Salaries of Teachers	199,189.00	5,312.64	204,501.64	204,501.00	0.64
Other Salaries	28,880.00	16,466.94	45,346.94	45,346.94	-
General Supplies	3,073.00	(101.32)	2,971.68	2,935.76	35.92

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
TOTAL RESOURCE ROOM/RESOURCE CENTER	231,142.00	21,678.26	252,820.26	252,783.70	36.56
PRESCHOOL DISABILITIES - FULL-TIME					
Other Salaries for Instruction	48,353.00	(27,041.00)	21,312.00	21,312.00	-
General Supplies	1,845.00	(1,575.02)	269.98	269.98	-
TOTAL PRESCHOOL DISABILITIES - FULL-TIME	50,198.00	(28,616.02)	21,581.98	21,581.98	-
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,935,015.00	(5,761.38)	1,929,253.62	1,926,761.93	2,491.69

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
BASIC SKILLS/REMEDIAL - INSTRUCTION					
Other Salaries for Instruction	27,041.00	-	27,041.00	27,041.00	-
General Supplies	-	1,010.25	1,010.25	968.81	41.44
TOTAL BASIC SKILLS/REMEDIAL - INSTRUCTION	<u>27,041.00</u>	<u>1,010.25</u>	<u>28,051.25</u>	<u>28,009.81</u>	<u>41.44</u>
BILINGUAL EDUCATION - INSTRUCTION:					
Salaries of Teachers	110,804.00	38,013.06	148,817.06	142,376.00	6,441.06
General Supplies	5,000.00	(1,855.86)	3,144.14	313.85	2,830.29
TOTAL BILINGUAL EDUCATION - INSTRUCTION	<u>115,804.00</u>	<u>36,157.20</u>	<u>151,961.20</u>	<u>142,689.85</u>	<u>9,271.35</u>
SCHOOL-SPONSORED COCURRICULAR/ EXTRA CURRICULAR ACTIVITIES - INSTRUCTION:					
Salaries	121,312.00	(45,000.00)	76,312.00	75,852.91	459.09
TOTAL SCHOOL-SPONSORED COCURRICULAR/EXTRA CURRICULAR ACTIVITIES - INSTRUCTION	<u>121,312.00</u>	<u>(45,000.00)</u>	<u>76,312.00</u>	<u>75,852.91</u>	<u>459.09</u>
SCHOOL-SPONSORED ATHLETICS - INSTRUCTION:					
Salaries	423,090.00	(77,073.40)	346,016.60	346,016.60	-
Purchased Services	26,000.00	68,111.95	94,111.95	93,026.96	1,084.99
Supplies and Materials	118,577.00	(34,235.22)	84,341.78	69,632.26	14,709.52
Other Objects	2,500.00	(1,600.00)	900.00	900.00	-
TOTAL SCHOOL-SPONSORED ATHLETICS - INSTRUCTION	<u>570,167.00</u>	<u>(44,796.67)</u>	<u>525,370.33</u>	<u>509,575.82</u>	<u>15,794.51</u>
SUMMER SCHOOL - INSTRUCTION:					
Salaries of Teachers	-	7,680.00	7,680.00	-	7,680.00
Purchased Professional and Technical Services	-	50,000.00	50,000.00	15,284.45	34,715.55
TOTAL SUMMER SCHOOL - INSTRUCTION	<u>-</u>	<u>57,680.00</u>	<u>57,680.00</u>	<u>15,284.45</u>	<u>42,395.55</u>
TOTAL INSTRUCTION	<u>8,924,314.00</u>	<u>(72,590.38)</u>	<u>8,851,723.62</u>	<u>8,756,422.27</u>	<u>95,301.35</u>
UNDISTRIBUTED EXPENDITURES					
INSTRUCTION (TUITION):					
Tuition to Other LEAs Within State - Regular	130,000.00	25,620.00	155,620.00	153,436.34	2,183.66
Tuition to Other LEAs Within State - Special	69,532.00	(21,500.00)	48,032.00	45,419.63	2,612.37
Tuition to County Vocational School - Regular	51,480.00	(4,000.00)	47,480.00	43,334.78	4,145.22
Tuition to County Special Services & Regular Day Schools	1,209,411.00	(161,000.00)	1,048,411.00	978,455.00	69,956.00
Tuition to Private School Disabled - Within State	1,132,937.00	(192,075.38)	940,861.62	864,435.15	76,426.47
TOTAL INSTRUCTION (TUITION)	<u>2,593,360.00</u>	<u>(352,955.38)</u>	<u>2,240,404.62</u>	<u>2,085,080.90</u>	<u>155,323.72</u>
ATTENDANCE AND SOCIAL WORK:					
Salaries	25,262.00	0.91	25,262.91	25,262.00	0.91
Purchased Professional and Technical Services	28,815.00	-	28,815.00	28,815.00	-
Supplies and Materials	600.00	(0.92)	599.08	545.32	53.76
TOTAL ATTENDANCE AND SOCIAL WORK	<u>54,677.00</u>	<u>(0.01)</u>	<u>54,676.99</u>	<u>54,622.32</u>	<u>54.67</u>
HEALTH SERVICES:					
Salaries	251,818.00	5,864.00	257,682.00	257,682.00	-
Purchased Professional & Technical Services	300,360.00	(15,489.72)	284,870.28	231,669.88	53,200.40
Supplies and Materials	8,873.00	(2,005.83)	6,867.17	6,867.17	-
TOTAL HEALTH SERVICES	<u>561,051.00</u>	<u>(11,631.55)</u>	<u>549,419.45</u>	<u>496,219.05</u>	<u>53,200.40</u>
SPEECH, OT, PT AND RELATED SERVICES:					
Salaries	150,254.00	0.20	150,254.20	150,254.20	-
Purchased Professional - Educational Services	89,000.00	-	89,000.00	68,572.00	20,428.00
Supplies and Materials	1,073.00	463.15	1,536.15	683.46	852.69
TOTAL SPEECH, OT, PT AND RELATED SERVICES	<u>240,327.00</u>	<u>463.35</u>	<u>240,790.35</u>	<u>219,509.66</u>	<u>21,280.69</u>
OTHER SUPPORT SERVICES - EXTRA SERVICES:					
Salaries	183,360.00	14,587.67	197,947.67	197,947.67	-
TOTAL OTHER SUPPORT SERVICES - EXTRA SERVICES	<u>183,360.00</u>	<u>14,587.67</u>	<u>197,947.67</u>	<u>197,947.67</u>	<u>-</u>

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
GUIDANCE:					
Salaries of Other Professional Staff	442,993.00	(31,321.68)	411,671.32	409,771.32	1,900.00
Salaries of Secretaries & Clerical Assistants	54,815.00	7,084.33	61,899.33	61,899.31	0.02
Purchased Professional - Educational Services	7,174.00	487.77	7,661.77	7,188.69	473.08
Other Purchased Services	6,492.00	(5,290.00)	1,202.00	1,202.00	-
Supplies and Materials	540.00	6,849.05	7,389.05	7,279.10	109.95
Other Objects	-	290.00	290.00	280.00	10.00
TOTAL GUIDANCE	<u>512,014.00</u>	<u>(21,900.53)</u>	<u>490,113.47</u>	<u>487,620.42</u>	<u>2,493.05</u>
CHILD STUDY TEAMS:					
Salaries of Other Professional Staff	547,551.00	(101,015.44)	446,535.56	332,238.56	114,297.00
Salaries of Secretaries & Clerical Assistants	52,014.00	(2,600.66)	49,413.34	49,413.34	-
Purchased Professional - Educational Services	44,500.00	2,150.00	46,650.00	46,649.85	0.15
Miscellaneous Purchased Services	1,000.00	(775.00)	225.00	225.00	-
Supplies and Materials	8,500.00	(5,570.69)	2,929.31	2,905.12	24.19
Other Objects	1,500.00	(205.00)	1,295.00	1,295.00	-
TOTAL CHILD STUDY TEAMS	<u>655,065.00</u>	<u>(108,016.79)</u>	<u>547,048.21</u>	<u>432,726.87</u>	<u>114,321.34</u>
IMPROVEMENT OF INSTRUCTION SERVICES:					
Salaries of Supervisors of Instruction	24,400.00	4,000.00	28,400.00	28,400.00	-
Salaries of Other Professional Staff	410,997.00	(182,801.92)	228,195.08	228,099.19	95.89
Salaries of Sec. and Clerical Assist.	27,960.00	-	27,960.00	27,959.48	0.52
Other Purchased Services	65,000.00	(28,827.99)	36,172.01	34,372.01	1,800.00
Supplies and Materials	4,000.00	(3,096.00)	904.00	904.00	-
Other Objects	8,500.00	(8,500.00)	-	-	-
TOTAL IMPROVEMENT OF INSTRUCTION SERVICES	<u>540,857.00</u>	<u>(219,225.91)</u>	<u>321,631.09</u>	<u>319,734.68</u>	<u>1,896.41</u>
EDUCATIONAL MEDIA SERVICES/LIBRARY:					
Salaries	104,094.00	(19,200.00)	84,894.00	84,894.00	-
Salaries of Technology Coordinators	131,950.00	34,277.10	166,227.10	166,066.36	160.74
Purchased Professional and Technical Services	84,500.00	(21,373.40)	63,126.60	63,126.60	-
Other Purchased Services	170,900.00	(60,443.68)	110,456.32	110,456.32	-
Supplies and Materials	9,350.00	(587.04)	8,762.96	1,618.11	7,144.85
TOTAL EDUCATIONAL MEDIA SERVICES/LIBRARY	<u>500,794.00</u>	<u>(67,327.02)</u>	<u>433,466.98</u>	<u>426,161.39</u>	<u>7,305.59</u>
INSTRUCTIONAL STAFF TRAINING SERVICES:					
Salaries of Secretarial and Clerical Asst.	27,960.00	-	27,960.00	27,959.52	0.48
Other Purchased Services	2,500.00	1,000.00	3,500.00	-	3,500.00
Supplies and Materials	1,000.00	(1,000.00)	-	-	-
TOTAL INSTRUCTIONAL STAFF TRAINING SERVICES	<u>31,460.00</u>	<u>-</u>	<u>31,460.00</u>	<u>27,959.52</u>	<u>3,500.48</u>
SUPPORT SERVICES - GENERAL ADMINISTRATION:					
Salaries	216,833.00	-	216,833.00	216,832.60	0.40
Legal Services	55,000.00	-	55,000.00	53,141.37	1,858.63
Audit Fees	49,000.00	-	49,000.00	47,857.50	1,142.50
Other Purchased Professional Services	8,335.00	-	8,335.00	8,295.00	40.00
Purchased Technical Services	15,000.00	-	15,000.00	5,786.62	9,213.38
Communications/Telephone	67,500.00	8,500.00	76,000.00	65,705.87	10,294.13
BOE Other Purchased Professional Services	3,100.00	1,777.26	4,877.26	4,205.29	671.97
Other Purchased Services	86,000.00	28,871.74	114,871.74	76,377.69	38,494.05
General Supplies	7,500.00	(1,000.00)	6,500.00	5,977.75	522.25
BOE In-House Training/Meeting Supplies	2,500.00	-	2,500.00	501.96	1,998.04
Judgements Against School District	10,000.00	-	10,000.00	5,000.00	5,000.00
Miscellaneous Expenditures	2,500.00	(675.00)	1,825.00	1,600.00	225.00
BOE Membership Dues and Fees	10,500.00	675.00	11,175.00	11,174.40	0.60
TOTAL SUPPORT SERVICES - GENERAL ADMINISTRATION	<u>533,768.00</u>	<u>38,149.00</u>	<u>571,917.00</u>	<u>502,456.05</u>	<u>69,460.95</u>
SUPPORT SERVICES - SCHOOL ADMINISTRATION:					
Salaries of Principals/Assistant Principals	503,975.00	128,101.10	632,076.10	631,286.42	789.68
Salaries of Other Professional Staff	12,000.00	7,760.00	19,760.00	19,760.00	-
Salaries of Secretaries & Clerical Assistants	267,155.00	(70,304.80)	196,850.20	194,486.32	2,363.88
Other Purchased Services	4,200.00	1,425.00	5,625.00	4,963.00	662.00
Supplies and Materials	8,000.00	(1,453.68)	6,546.32	6,079.61	466.71
Other Objects	4,550.00	(4,220.00)	330.00	-	330.00
TOTAL SUPPORT SERVICES - SCHOOL ADMINISTRATION	<u>799,880.00</u>	<u>61,307.62</u>	<u>861,187.62</u>	<u>856,575.35</u>	<u>4,612.27</u>

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CENTRAL SERVICES:					
Salaries	270,991.00	17,088.13	288,079.13	287,639.13	440.00
Unused Vacaton Payment to Terminated/Retired Staff	-	440.00	440.00	440.00	-
Purchased Technical Services	26,895.00	405.00	27,300.00	27,300.00	-
Miscellaneous Purchased Services	3,500.00	2,000.00	5,500.00	1,523.14	3,976.86
Supplies and Materials	7,500.00	(6,168.71)	1,331.29	392.20	939.09
Interest on Lease Purchase Agreements	7,700.00	(5,076.61)	2,623.39	-	2,623.39
Miscellaneous Expenditures	1,315.00	275.00	1,590.00	1,315.00	275.00
TOTAL CENTRAL SERVICES	317,901.00	8,962.81	326,863.81	318,609.47	8,254.34
ADMINISTRATIVE INFORMATION TECHNOLOGY:					
Salaries	49,329.00	(5,740.00)	43,589.00	32,270.00	11,319.00
Purchased Professional Services	56,000.00	-	56,000.00	56,000.00	-
Supplies and Materials	300.00	-	300.00	-	300.00
TOTAL ADMINISTRATIVE INFORMATION TECHNOLOGY	105,629.00	(5,740.00)	99,889.00	88,270.00	11,619.00
REQUIRED MAINTENANCE FOR SCHOOL FACILITIES:					
Salaries	152,007.00	(48,629.15)	103,377.85	103,377.34	0.51
Cleaning, Repair & Maintenance Services	312,983.00	(110,368.59)	202,614.41	197,433.67	5,180.74
General Supplies	120,772.00	(66,489.87)	54,282.13	50,748.60	3,533.53
TOTAL REQUIRED MAINTENANCE FOR SCHOOL FACILITIES	585,762.00	(225,487.61)	360,274.39	351,559.61	8,714.78
CUSTODIAL SERVICES:					
Salaries	297,593.00	41,754.81	339,347.81	339,347.81	-
Salaries of Non-Instructional Aides	25,496.00	6,656.98	32,152.98	32,152.98	-
Purchased Professional and Technical Services	28,310.00	(3,704.24)	24,605.76	24,605.76	-
Cleaning, Repair & Maintenance Services	53,999.00	(24,021.98)	29,977.02	29,977.02	-
Other Purchased Property Services	135,000.00	(34,080.30)	100,919.70	97,026.18	3,893.52
Insurance	495,000.00	(38,609.00)	456,391.00	456,391.00	-
Miscellaneous Purchased Services	1,600.00	(1,600.00)	-	-	-
General Supplies	98,949.00	(52,670.21)	46,278.79	46,237.37	41.42
Energy (Natural Gas)	180,000.00	-	180,000.00	180,000.00	-
Energy (Electricity)	250,000.00	-	250,000.00	236,639.66	13,360.34
Other Objects	-	410.00	410.00	410.00	-
TOTAL CUSTODIAL SERVICES	1,565,947.00	(105,863.94)	1,460,083.06	1,442,787.78	17,295.28
CARE AND UPKEEP OF GROUNDS:					
Salaries	41,241.00	-	41,241.00	36,162.33	5,078.67
Unused Vacaton Payment to Terminated/Retired Staff	1,600.00	-	1,600.00	1,600.00	-
Cleaning, Repair & Maintenance Services	83,200.00	(27,818.04)	55,381.96	55,381.96	-
General Supplies	31,200.00	(9,244.02)	21,955.98	21,955.98	-
TOTAL CARE AND UPKEEP OF GROUNDS	157,241.00	(37,062.06)	120,178.94	115,100.27	5,078.67
SECURITY:					
Purchased Professional and Technical Services	-	1,100.00	1,100.00	337.50	762.50
General Supplies	-	700.00	700.00	-	700.00
TOTAL SECURITY	-	1,800.00	1,800.00	337.50	1,462.50
STUDENT TRANSPORTATION SERVICES:					
Salaries of Non-Instructional Aides	53,709.00	(20,472.21)	33,236.79	33,236.79	-
Salaries of Pupil Transportation (Between Home & School) - Regular	139,597.00	(112,533.82)	27,063.18	26,417.18	646.00
Sal for Pupil Trans (Bet Home & Sch)- Sp Ed	37,648.00	6,997.20	44,645.20	44,645.20	-
Sal for Pupil Trans (Other than Bet. Home & Sch)	15,000.00	30,870.58	45,870.58	32,654.33	13,216.25
Cleaning, Repair and Maintenance Services	40,000.00	(8,109.24)	31,890.76	29,224.77	2,665.99
Lease Purchase Payments - School Buses	35,677.00	34,041.84	69,718.84	69,718.84	-
Contract Serv. - Aid in Lieu Pymts-Choice Sch	60,000.00	(11,241.64)	48,758.36	48,758.36	-
Contract Services (Between Home & School) - Vendors	20,000.00	(4,448.25)	15,551.75	15,551.75	-
Contract Services (Other Than Between Home & School) - Vendors	14,000.00	8,001.50	22,001.50	2,700.00	19,301.50
Contract Services (Special Ed Students) - Vendors	-	61,650.00	61,650.00	61,650.00	-
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	500,000.00	1,404,455.88	1,904,455.88	1,904,455.88	-
Miscellaneous Purchased Services - Transportation	55,000.00	(4,399.00)	50,601.00	50,601.00	-
General Supplies	1,000.00	(864.46)	135.54	135.54	-
Transportation Supplies	15,000.00	(15,000.00)	-	-	-
TOTAL STUDENT TRANSPORTATION SERVICES	986,631.00	1,368,948.38	2,355,579.38	2,319,749.64	35,829.74
UNALLOCATED BENEFITS:					
Social Security Contributions	275,000.00	77,592.12	352,592.12	323,390.12	29,202.00
Other Purchased Services	-	49,643.00	49,643.00	47,969.00	1,674.00
Other Retirement Contributions	50,000.00	(21,750.13)	28,249.87	28,249.87	-
Other Retirement Contributions - PERS	299,000.00	(37,982.00)	261,018.00	261,018.00	-
Unemployment Compensation	60,000.00	(12,000.00)	48,000.00	36,816.99	11,183.01
Workmen's Compensation	304,000.00	(96,084.00)	207,916.00	207,916.00	-
Health Benefits	4,351,335.00	(44,333.53)	4,307,001.47	4,307,001.47	-
Tuition Reimbursement	30,000.00	(10,572.00)	19,428.00	17,197.00	2,231.00
Other Employee Benefits	12,630.00	(5,976.55)	6,653.45	6,426.12	227.33
Unused Sick Payment to Staff	24,863.00	55,299.50	80,162.50	80,162.50	-
TOTAL UNALLOCATED BENEFITS	5,406,828.00	(46,163.59)	5,360,664.41	5,316,147.07	44,517.34

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REIMBURSED TPAF SOCIAL SECURITY CONTRIBUTIONS (NONBUDGETED)	-	-	-	712,402.42	(712,402.42)
ON BEHALF TPAF PENSION CONTRIBUTIONS (NONBUDGETED):					
Post Retirement Medical	-	-	-	851,129.00	(851,129.00)
Teacher's Pension and Annuity Fund	-	-	-	3,195,620.00	(3,195,620.00)
Non-Contributory Insurance	-	-	-	44,336.00	(44,336.00)
Long-Term Disability Insurance	-	-	-	1,388.00	(1,388.00)
TOTAL ON BEHALF CONTRIBUTIONS	-	-	-	4,804,875.42	(4,804,875.42)
 TOTAL UNDISTRIBUTED EXPENSES	 16,332,552.00	 292,844.44	 16,625,396.44	 20,864,050.64	 (4,238,654.20)
 TOTAL EXPENDITURES - CURRENT EXPENSE	 25,256,866.00	 220,254.06	 25,477,120.06	 29,620,472.91	 (4,143,352.85)
 CAPITAL OUTLAY:					
Equipment:					
Grades 6-8	11,412.00	(11,382.88)	29.12	-	29.12
School-Sponsored & Other Instructional Programs	-	20,324.22	20,324.22	-	20,324.22
Undistributed Expenditures:					
Undistributed Expenditures - Admin Info Tech.	15,000.00	-	15,000.00	12,599.00	2,401.00
Undist. Expend. - Required Maint for School Fac.	5,498.00	(651.00)	4,847.00	4,847.00	-
Undist. Expend. - Custodial Services	43,278.00	(43,278.00)	-	-	-
TOTAL EQUIPMENT	75,188.00	(34,987.66)	40,200.34	17,446.00	22,754.34
 FACILITIES ACQUISITION & CONSTRUCTION SERVICES:					
Architectural/Engineering Services	13,071.00	-	13,071.00	2,483.15	10,587.85
Construction Services	167,644.00	(50,000.00)	117,644.00	90,378.00	27,266.00
Assessment for Debt Service on SDA Funding	7,471.00	-	7,471.00	7,471.00	-
TOTAL FACILITIES ACQUISITION & CONSTRUCTION SERVICES	188,186.00	(50,000.00)	138,186.00	100,332.15	37,853.85
 TOTAL CAPITAL OUTLAY	 263,374.00	 (84,987.66)	 178,386.34	 117,778.15	 60,608.19
 TRANSFER OF FUNDS TO CHARTER SCHOOL	 489,885.00	 3,943.00	 493,828.00	 443,628.00	 50,200.00
 TOTAL EXPENDITURES	 26,010,125.00	 139,209.40	 26,149,334.40	 30,181,879.06	 (4,032,544.66)
 EXCESS/(DEFICIENCY OF REVENUES OVER/(UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES/(USES)	 (1,277,605.00)	 (139,209.40)	 (1,416,814.40)	 71,440.02	 1,488,254.42
 OTHER FINANCING SOURCES/(USES)					
Operating Transfers In (Out):					
Transfer to Debt Service Fund	-	-	-	(0.08)	(0.08)
Transfer from Capital Projects Fund	-	-	-	31,962.00	31,962.00
Transfers to Cover Deficit (Enterprise Fund)	-	-	-	-	-
Local Contributions - Transfers to Special Revenue Fund - Inclusion	(135,090.00)	135,090.00	-	-	-
TOTAL OTHER FINANCING SOURCES/(USES)	(135,090.00)	135,090.00	-	31,961.92	31,961.92
 EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES AFTER OTHER FINANCING SOURCES/(USES)	 (1,412,695.00)	 (4,119.40)	 (1,416,814.40)	 103,401.94	 1,520,216.34
 FUND BALANCES, JULY 1	 6,130,441.37	 -	 6,130,441.37	 6,130,441.37	 -
FUND BALANCES, JUNE 30	\$ 4,717,746.37	\$ (4,119.40)	\$ 4,713,626.97	\$ 6,233,843.31	\$ 1,520,216.34

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 540,208.38
Maintenance Reserve	10,013.42
Excess Surplus - Current Year	767,396.67
Excess Surplus Designated for Subsequent Year's Expenditures	3,039,530.27
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	632,930.73
Year-End Encumbrances	64,313.77
Unassigned Fund Balance	<u>1,179,450.07</u>
 Subtotal	 6,233,843.31
 Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	<u>(1,571,575.00)</u>
 Fund Balance per Governmental Funds (GAAP)	 <u>\$ 4,662,268.31</u>

**PAULSBORO SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual (Over)/Under</u>
REVENUES					
Local Sources	\$ 195,000.00	\$ -	\$ 195,000.00	\$ 133,954.91	\$ 61,045.09
State Sources	1,592,093.00	124,819.00	1,716,912.00	1,171,633.36	545,278.64
Federal Sources	8,312,764.00	1,573,456.13	9,886,220.13	6,968,334.41	2,917,885.72
TOTAL REVENUES	<u>10,099,857.00</u>	<u>1,698,275.13</u>	<u>11,798,132.13</u>	<u>8,273,922.68</u>	<u>3,524,209.45</u>
EXPENDITURES					
INSTRUCTION:					
Salaries of Teachers	10,039,947.00	(8,775,153.17)	1,264,793.83	975,656.24	289,137.59
Other Salaries for Instruction	-	343,561.04	343,561.04	305,058.60	38,502.44
Purchased Technical Services	-	478,290.00	478,290.00	175,106.40	303,183.60
Other Purchased Services (400-500 Series)	-	533,217.60	533,217.60	406,010.64	127,206.96
General Supplies	-	938,674.93	938,674.93	384,110.84	554,564.09
Other Objects	-	119,805.00	119,805.00	23,642.12	96,162.88
TOTAL INSTRUCTION	<u>10,039,947.00</u>	<u>(6,361,604.60)</u>	<u>3,678,342.40</u>	<u>2,269,584.84</u>	<u>1,408,757.56</u>
SUPPORT SERVICES:					
Salaries - Support	-	686,794.70	686,794.70	407,127.49	279,667.21
Salaries of Supervisors of Instruction	-	40,566.24	40,566.24	40,566.24	-
Salaries of Other Professional Staff	-	82,472.68	82,472.68	21,503.48	60,969.20
Salaries of Secretarial and Clerical Assistants	-	15,604.00	15,604.00	10,402.80	5,201.20
Other Salaries	-	69,993.69	69,993.69	93,881.24	(23,887.55)
Salaries of Community Parent Involvement Specialists	-	56,522.00	56,522.00	56,522.00	-
Salaries of Master Teachers	-	79,219.00	79,219.00	74,109.00	5,110.00
Personal Services - Employee Benefits	-	718,475.00	718,475.00	425,324.40	293,150.60
Purchased Technical Services	-	1,629,576.00	1,629,576.00	870,457.93	759,118.07
Other Purchased Services (400-500 Series)	-	21,000.00	21,000.00	4,000.00	17,000.00
Supplies and Materials	-	105,965.92	105,965.92	34,495.12	71,470.80
Other Objects	-	5,326.00	5,326.00	1,389.60	3,936.40
Student Activities	50,000.00	-	50,000.00	46,073.04	3,926.96
Scholarships Awarded	145,000.00	-	145,000.00	31,296.00	113,704.00
TOTAL SUPPORT SERVICES	<u>195,000.00</u>	<u>3,511,515.23</u>	<u>3,706,515.23</u>	<u>2,117,148.34</u>	<u>1,589,366.89</u>
FACILITIES ACQUISITION & CONSTRUCTION SERVICES:					
Instructional Equipment	-	4,142,317.55	4,142,317.55	3,711,237.03	431,080.52
Instructional Equipment	-	75,361.65	75,361.65	70,000.00	5,361.65
Noninstructional Equipment	-	195,595.30	195,595.30	66,606.60	128,988.70
TOTAL FACILITIES ACQUISITION & CONSTRUCTION SERVICES	<u>-</u>	<u>4,413,274.50</u>	<u>4,413,274.50</u>	<u>3,847,843.63</u>	<u>565,430.87</u>
TOTAL EXPENDITURES	<u>10,234,947.00</u>	<u>1,563,185.13</u>	<u>11,798,132.13</u>	<u>8,234,576.81</u>	<u>3,563,555.32</u>
EXCESS/(DEFICIENCY OF REVENUES OVER/(UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES/(USES)					
	<u>(135,090.00)</u>	<u>135,090.00</u>	<u>-</u>	<u>39,345.87</u>	<u>(39,345.87)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	135,090.00	(135,090.00)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>135,090.00</u>	<u>(135,090.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES AFTER OTHER FINANCING SOURCES/(USES)					
	<u>-</u>	<u>0.00</u>	<u>0.00</u>	<u>39,345.87</u>	<u>39,345.87</u>
FUND BALANCES, JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,871.42</u>	<u>192,871.42</u>
FUND BALANCES, JUNE 30	<u>\$ -</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 232,217.29</u>	<u>\$ 232,217.29</u>
Recapitulation:					
Restricted:					
Student Activities				\$ 37,747.87	
Scholarships				194,469.42	
Total Fund Balance				<u>\$ 232,217.29</u>	

**PAULSBORO SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2023**

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

	General Fund	Special Revenue Fund
SOURCES/INFLOWS OF RESOURCES:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 30,253,319.08	\$ 8,273,922.68
 DIFFERENCE - 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	-	-
Prior Year	-	-
 The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(1,571,575.00)	-
Prior Year	1,420,657.00	-
 Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	<u>\$ 30,102,401.08</u>	<u>\$ 8,273,922.68</u>
 USES/OUTFLOWS OF RESOURCES:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 30,181,879.06	\$ -
 DIFFERENCE - BUDGET TO GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	-
 Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		
	<u>\$ 30,181,879.06</u>	<u>\$ -</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**PAULSBORO SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
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	0.0206984980%	0.0203442660%	0.0252194442%	0.0261706155%	0.0255103900%	0.0265283683%	0.0248342579%	0.0247735397%	0.0281227628%	0.0289695975%
School District's proportionate share of the net pension liability	\$ 3,123,688.00	\$ 2,410,083.00	\$ 4,112,632.00	\$ 4,715,548.00	\$ 5,022,869.00	\$ 6,175,380.00	\$ 7,355,195.00	\$ 5,561,163.00	\$ 5,265,350.00	\$ 5,536,666.00
School District's covered payroll	\$ 1,578,184.00	\$ 1,488,509.00	\$ 1,544,202.00	\$ 1,803,009.00	\$ 1,720,978.00	\$ 1,831,650.00	\$ 1,781,473.00	\$ 1,718,919.00	\$ 1,826,655.00	\$ -
School District's proportionate share of the net pension liability as a percentage of its covered payroll	197.93%	161.91%	266.33%	261.54%	291.86%	337.15%	412.87%	323.53%	288.25%	N/A
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

**PAULSBORO SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST TEN FISCAL YEARS**

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 290,619.00	\$ 261,018.00	\$ 238,255.00	\$ 275,888.00	\$ 254,563.00	\$ 253,746.00	\$ 245,757.00	\$ 220,624.00	\$ 212,986.00	\$ 231,840.00
Contributions in relation to the contractually required contribution	<u>(290,619.00)</u>	<u>(261,018.00)</u>	<u>(238,255.00)</u>	<u>(275,888.00)</u>	<u>(254,563.00)</u>	<u>(253,746.00)</u>	<u>(245,757.00)</u>	<u>(220,624.00)</u>	<u>(212,986.00)</u>	<u>(231,840.00)</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	\$ 1,695,941	\$ 1,578,184	\$ 1,488,509	\$ 1,544,202	\$ 1,803,009	\$ 1,720,978	\$ 1,831,650	\$ 1,781,473	\$ 1,718,919	\$ 1,826,655
Contributions as a percentage of covered payroll	17.14%	16.54%	16.01%	17.87%	14.12%	14.74%	13.42%	12.38%	12.39%	12.69%

**PAULSBORO SCHOOL DISTRICT
SCHEDULE OF THE 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%
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>\$ 36,653,216.00</u>	<u>\$ 37,056,412.00</u>	<u>\$ 52,167,059.00</u>	<u>\$ 52,171,826.00</u>	<u>\$ 55,394,675.00</u>	<u>\$ 58,712,203.00</u>	<u>\$ 70,233,961.00</u>	<u>\$ 57,207,332.00</u>	<u>\$ 50,441,713.00</u>	<u>\$ 48,472,777.00</u>
	<u>\$ 36,653,216.00</u>	<u>\$ 37,056,412.00</u>	<u>\$ 52,167,059.00</u>	<u>\$ 52,171,826.00</u>	<u>\$ 55,394,675.00</u>	<u>\$ 58,712,203.00</u>	<u>\$ 70,233,961.00</u>	<u>\$ 57,207,332.00</u>	<u>\$ 50,441,713.00</u>	<u>\$ 48,472,777.00</u>
School District's covered payroll	\$ 9,183,962.00	\$ 8,746,816.01	\$ 9,805,180.00	\$ 10,083,344.00	\$ 10,676,572.00	\$ 10,632,404.00	\$ 10,503,636.00	\$ 10,456,336.00	\$ 10,630,680.00	\$ 10,724,484.00
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	399.10%	423.66%	532.04%	517.41%	518.84%	552.20%	668.66%	547.11%	474.49%	451.98%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

**PAULSBORO SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2023**

Teachers' Pension and Annuity Fund (TPAF)

Change 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	7.00%		
2021	7.00%	2017	4.25%
2020	5.40%	2016	3.22%
2019	5.60%	2015	4.13%
2018	4.86%	2014	4.68%

The long-term expected 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%		
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

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

Public Employees' Retirement System (PERS)

Change 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%		
2021	7.00%	2017	5.00%
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%

The long-term expected 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%		
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

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

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

PAULSBORO SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE PLAN YEARS*

	Measurement Date Ending June 30,					
	2022	2021	2020	2019	2018	2017
District's Total OPEB Liability						
Changes for the Year						
Service Cost	\$ 1,987,472.00	\$ 2,505,244.00	\$ 1,463,714.00	\$ 1,474,162.00	\$ 1,656,113.00	\$ 1,994,487.00
Interest Cost	1,338,740.00	1,537,600.00	1,517,136.00	1,939,034.00	2,081,211.00	1,798,960.00
Change in Benefit Terms	-	(63,089.00)	-	-	-	-
Differences between Expected and Actual Experiences	2,752,339.00	(11,567,529.00)	11,272,292.00	(9,586,108.00)	(4,665,486.00)	-
Changes of Assumptions	(13,551,474.00)	58,477.00	12,416,517.00	632,961.00	(5,652,410.00)	(7,170,387.00)
Gross Benefit Payments	42,541.00	(1,211,198.00)	(1,183,372.00)	(1,303,146.00)	(1,317,097.00)	(1,322,753.00)
Member contributions	<u>(1,326,061.00)</u>	<u>39,309.00</u>	<u>35,868.00</u>	<u>38,629.00</u>	<u>45,521.00</u>	<u>48,707.00</u>
Net Change in District's Total OPEB Liability	(8,756,443.00)	(8,701,186.00)	25,522,155.00	(6,804,468.00)	(7,852,148.00)	(4,650,986.00)
District's Total OPEB Liability (Beginning)	<u>59,272,828.00</u>	<u>67,974,014.00</u>	<u>42,451,859.00</u>	<u>49,256,327.00</u>	<u>57,108,475.00</u>	<u>61,759,461.00</u>
District's Total OPEB Liability (Ending)	<u>\$ 50,516,385.00</u>	<u>\$ 59,272,828.00</u>	<u>\$ 67,974,014.00</u>	<u>\$ 42,451,859.00</u>	<u>\$ 49,256,327.00</u>	<u>\$ 57,108,475.00</u>
District's Covered Employee Payroll	\$ 10,762,146.00	\$ 10,325,000.01	\$ 9,469,263.00	\$ 10,147,798.00	\$ 10,285,983.00	\$ 10,867,407.00
District's Net OPEB Liability as a Percentage of Payroll	469.39%	574.07%	717.84%	418.34%	478.87%	525.50%

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

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

**PAULSBORO SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART IV
YEAR ENDED JUNE 30, 2023**

Change 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>
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%
2017	3.58%

In addition to the 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 is initially 6.25% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% 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

E. Special Revenue Fund

PAULSBORO SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2023

	E.S.E.A				I.D.E.A. Part B		C.A.R.E.S. and CRRSA Act			
	Title I	Title 1 SIA	Title II-A	Title IV	Basic	Preschool	ESSER 1	ESSER II	Learning Acceleration	Mental Health
REVENUES										
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-	-	-	-
Federal Sources	671,181.56	43,100.00	68,410.40	76,041.81	350,238.11	4,667.29	25,935.00	1,177,749.99	21,960.36	27,374.00
TOTAL REVENUES	\$ 671,181.56	\$ 43,100.00	\$ 68,410.40	\$ 76,041.81	\$ 350,238.11	\$ 4,667.29	\$ 25,935.00	\$ 1,177,749.99	\$ 21,960.36	\$ 27,374.00
EXPENDITURES										
INSTRUCTION:										
Salaries of Teachers	\$ 311,982.96	\$ 7,500.00	\$ 48,296.40	\$ 52,387.10	\$ -	\$ -	\$ -	\$ 64,890.00	\$ 19,800.00	\$ -
Other Salaries for Instruction	181,443.60	-	-	-	-	-	-	-	-	-
Purchased Technical Services	-	-	-	-	-	-	-	-	1,492.00	3,820.00
Other Purchased Services (400-500 Series)	-	-	-	-	319,974.25	-	-	25,685.03	668.36	-
General Supplies	25,542.00	35,600.00	-	4,376.71	4,818.86	3,842.57	25,935.00	230,970.61	-	-
Other Objects	-	-	-	-	-	-	-	22,110.12	-	-
TOTAL INSTRUCTION	518,968.56	43,100.00	48,296.40	56,763.81	324,793.11	3,842.57	25,935.00	343,655.76	21,960.36	3,820.00
SUPPORT SERVICES:										
Salaries - Support	-	-	-	-	-	-	-	92,417.00	-	21,880.00
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-	-	-	-
Salaries of Other Professional Staff	-	-	-	-	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-	60,383.20	-	-
Salaries of Community Parent Involvement Specialists	-	-	-	-	-	-	-	-	-	-
Salaries of Master Teachers	-	-	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	145,965.00	-	20,114.00	19,278.00	-	-	-	29,202.00	-	1,674.00
Purchased Technical Services	5,150.00	-	-	-	25,445.00	824.72	-	247,691.25	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	-	-	-
Supplies and Materials	1,098.00	-	-	-	-	-	-	26,751.78	-	-
Other Objects	-	-	-	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-	-	-	-	-
TOTAL SUPPORT SERVICES	152,213.00	-	20,114.00	19,278.00	25,445.00	824.72	-	456,445.23	-	23,554.00
FACILITIES ACQUISITION & CONSTRUCTION SERVICES:										
Construction	-	-	-	-	-	-	-	333,779.00	-	-
Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Noninstructional Equipment	-	-	-	-	-	-	-	43,870.00	-	-
TOTAL FACILITIES ACQUISITION & CONSTRUCTION SERVICES	-	-	-	-	-	-	-	377,649.00	-	-
TOTAL EXPENDITURES	671,181.56	43,100.00	68,410.40	76,041.81	350,238.11	4,667.29	25,935.00	1,177,749.99	21,960.36	27,374.00
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	-	-	-	-	-	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**PAULSBORO SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

	American Rescue Plan (ARP)							N.J. Nonpublic Auxiliary Services - Chapter 192			
	ARP ESSER	Accelerated Learning Coach and Educator Support	Evidence Based Summer Learning and Enrichment	NJTSS Mental Health Supporting Staff	Homeless - Children & Youth	IDEA	IDEA Preschool	COPS SVPP Grant	Compensatory Education	Transportation	ESL
REVENUES											
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-	-	29,649.00	3,663.00	3,007.00
Federal Sources	4,288,134.22	8,060.00	21,916.49	3,775.00	16,645.34	57,369.00	179.34	105,596.50	-	-	-
TOTAL REVENUES	\$ 4,288,134.22	\$ 8,060.00	\$ 21,916.49	\$ 3,775.00	\$ 16,645.34	\$ 57,369.00	\$ 179.34	\$ 105,596.50	\$ 29,649.00	\$ 3,663.00	\$ 3,007.00
EXPENDITURES											
INSTRUCTION:											
Salaries of Teachers	\$ 103,525.00	\$ 2,560.00	\$ 10,848.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-	-	-	-	-	-	-
Purchased Technical Services	409.00	-	-	-	-	-	-	-	29,649.00	3,663.00	3,007.00
Other Purchased Services (400-500 Series)	1,469.00	-	-	-	-	57,369.00	-	-	-	-	-
General Supplies	2,704.00	-	-	-	-	-	179.34	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-	-	-	-
TOTAL INSTRUCTION	108,107.00	2,560.00	10,848.00	-	-	57,369.00	179.34	-	29,649.00	3,663.00	3,007.00
SUPPORT SERVICES:											
Salaries - Support	267,542.00	-	11,068.49	-	10,000.00	-	-	-	-	-	-
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-	-	-	-	-
Salaries of Other Professional Staff	-	-	-	-	-	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-	-	-	-	-
Salaries of Community Parent Involvement Specialists	-	-	-	-	-	-	-	-	-	-	-
Salaries of Master Teachers	-	-	-	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-	-	-	-	-
Purchased Technical Services	554,162.49	5,500.00	-	3,775.00	-	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	6,645.34	-	-	-	-	-	-
Other Objects	1,389.60	-	-	-	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-	-	-	-	-	-
TOTAL SUPPORT SERVICES	823,094.09	5,500.00	11,068.49	3,775.00	16,645.34	-	-	-	-	-	-
FACILITIES ACQUISITION & CONSTRUCTION SERVICES:											
Construction	3,271,861.53	-	-	-	-	-	-	105,596.50	-	-	-
Instructional Equipment	70,000.00	-	-	-	-	-	-	-	-	-	-
Noninstructional Equipment	15,071.60	-	-	-	-	-	-	-	-	-	-
TOTAL FACILITIES ACQUISITION & CONSTRUCTION SERVICES	3,356,933.13	-	-	-	-	-	-	105,596.50	-	-	-
TOTAL EXPENDITURES	4,288,134.22	8,060.00	21,916.49	3,775.00	16,645.34	57,369.00	179.34	105,596.50	29,649.00	3,663.00	3,007.00
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PAULSBORO SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2023

N.J. Nonpublic Handicapped Services - Chapter 193

	Examination and Classification	Corrective Speech	Supplemental Instruction	Nonpublic Textbook	Nonpublic Security	Nonpublic Nursing	Nonpublic Technology	Preschool Education Aid	Alt Education Program	Student Activity Fund	Scholarship Fund	Totals
REVENUES												
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,240.00	\$ 40,609.41	\$ 76,105.50	133,954.91
State Sources	18,202.00	7,440.00	11,564.00	4,222.63	14,417.90	10,192.00	3,821.09	1,065,454.74	-	-	-	1,171,633.36
Federal Sources	-	-	-	-	-	-	-	-	-	-	-	6,968,334.41
TOTAL REVENUES	\$ 18,202.00	\$ 7,440.00	\$ 11,564.00	\$ 4,222.63	\$ 14,417.90	\$ 10,192.00	\$ 3,821.09	\$ 1,065,454.74	\$ 17,240.00	\$ 40,609.41	\$ 76,105.50	\$ 8,273,922.68
EXPENDITURES												
INSTRUCTION:												
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340,846.78	\$ 13,020.00	\$ -	\$ -	\$ 975,656.24
Other Salaries for Instruction	-	-	-	-	-	-	-	123,615.00	-	-	-	305,058.80
Purchased Technical Services	18,202.00	7,440.00	11,564.00	-	14,417.90	10,192.00	-	71,250.50	-	-	-	175,106.40
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	845.00	-	-	-	406,010.64
General Supplies	-	-	-	4,222.63	-	-	3,821.09	42,098.03	-	-	-	384,110.84
Other Objects	-	-	-	-	-	-	-	1,532.00	-	-	-	23,642.12
TOTAL INSTRUCTION	18,202.00	7,440.00	11,564.00	4,222.63	14,417.90	10,192.00	3,821.09	580,187.31	13,020.00	-	-	2,269,584.84
SUPPORT SERVICES:												
Salaries - Support	-	-	-	-	-	-	-	-	4,220.00	-	-	407,127.49
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-	40,566.24	-	-	-	40,566.24
Salaries of Other Professional Staff	-	-	-	-	-	-	-	21,503.48	-	-	-	21,503.48
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-	10,402.80	-	-	-	10,402.80
Other Salaries	-	-	-	-	-	-	-	33,498.04	-	-	-	93,881.24
Salaries of Community Parent Involvement Specialists	-	-	-	-	-	-	-	56,522.00	-	-	-	56,522.00
Salaries of Master Teachers	-	-	-	-	-	-	-	74,109.00	-	-	-	74,109.00
Personal Services - Employee Benefits	-	-	-	-	-	-	-	209,091.40	-	-	-	425,324.40
Purchased Technical Services	-	-	-	-	-	-	-	27,909.47	-	-	-	870,457.93
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	4,000.00	-	-	-	4,000.00
Supplies and Materials	-	-	-	-	-	-	-	-	-	-	-	34,495.12
Other Objects	-	-	-	-	-	-	-	-	-	-	-	1,389.60
Student Activities	-	-	-	-	-	-	-	-	-	46,073.04	-	46,073.04
Scholarships Awarded	-	-	-	-	-	-	-	-	-	-	31,296.00	31,296.00
TOTAL SUPPORT SERVICES	-	-	-	-	-	-	-	477,602.43	4,220.00	46,073.04	31,296.00	2,117,148.34
FACILITIES ACQUISITION & CONSTRUCTION SERVICES:												
Construction	-	-	-	-	-	-	-	-	-	-	-	3,711,237.03
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-	70,000.00
Noninstructional Equipment	-	-	-	-	-	-	-	7,665.00	-	-	-	66,606.60
TOTAL FACILITIES ACQUISITION & CONSTRUCTION SERVICES	-	-	-	-	-	-	-	7,665.00	-	-	-	3,847,843.63
TOTAL EXPENDITURES	18,202.00	7,440.00	11,564.00	4,222.63	14,417.90	10,192.00	3,821.09	1,065,454.74	17,240.00	46,073.04	31,296.00	8,234,576.81
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES												
	-	-	-	-	-	-	-	-	-	(5,463.63)	44,809.50	39,345.87
Fund Balances, July 1	-	-	-	-	-	-	-	-	-	43,211.50	149,659.92	192,871.42
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,747.87	\$ 194,469.42	\$ 232,217.29

**PAULSBORO SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES			
INSTRUCTION:			
Salaries of Teachers	\$ 395,299.00	\$ 340,846.78	\$ 54,452.22
Other Salaries for Instruction	161,273.00	123,615.00	37,658.00
Purchased Technical Services	287,833.00	71,250.50	216,582.50
Other Purchased Services (400-500 Series)	7,500.00	845.00	6,655.00
General Supplies	54,792.00	42,098.03	12,693.97
Other Objects	3,500.00	1,532.00	1,968.00
TOTAL INSTRUCTION	<u>910,197.00</u>	<u>580,187.31</u>	<u>330,009.69</u>
SUPPORT SERVICES			
Salaries of Supervisors of Instruction	40,566.24	40,566.24	-
Salaries of Other Professional Staff	82,472.68	21,503.48	60,969.20
Salaries of Secretarial and Clerical Assistants	15,604.00	10,402.80	5,201.20
Other Salaries	33,498.08	33,498.04	0.04
Salaries of Community Parent Involvement Specialists	56,522.00	56,522.00	-
Salaries of Master Teachers	79,219.00	74,109.00	5,110.00
Personal Services - Employee Benefits	303,533.00	209,091.40	94,441.60
Purchased Technical Services	50,000.00	27,909.47	22,090.53
Other Purchased Services (400-500 Series)	15,000.00	4,000.00	11,000.00
Supplies and Materials	10,000.00	-	10,000.00
TOTAL SUPPORT SERVICES	<u>686,415.00</u>	<u>477,602.43</u>	<u>208,812.57</u>
FACILITIES ACQUISITION & CONSTRUCTION SERVICES			
Instructional Equipment	8,100.00	7,665.00	435.00
TOTAL FACILITIES ACQUISITION & CONSTRUCTION SERVICES	<u>8,100.00</u>	<u>7,665.00</u>	<u>435.00</u>
TOTAL EXPENDITURES	<u>\$ 1,604,712.00</u>	<u>\$ 1,065,454.74</u>	<u>\$ 539,257.26</u>

Calculation of Budget and Carryover

Total Revised 2022-2023 Preschool Education Aid Allocation	1,080,720.00
Add: Actual ECPE/PEA Carryover (June 30, 2022)	411,375.36
Add: Budgeted Transfer from General Fund 2022-2023	-
Total Preschool Education Aid Funds Available for 2022-2023 Budget	1,492,095.36
Less: 2022-2023 Budgeted Preschool Education Aid (including PY Budget Carryover)	<u>(1,604,712.00)</u>
Available and Unbudgeted Preschool Education Funds as of June 30, 2023	-
Add: June 30, 2023 Unexpended Preschool Education Aid	<u>426,640.62</u>
2022-2023 Carryover - Preschool Education Aid	<u>\$ 426,640.62</u>
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs 2023-2024	<u>\$ -</u>

F. Capital Projects Fund

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2023**

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Transfers</u>	<u>Unexpended Balance June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>		
Renovation to High School Gymnasium	10/28/2009	\$ 341,927.00	\$ 316,993.00	\$ -	\$ 24,934.00	\$ -
Paulsboro High School HVAC Replacement	6/7/2011	314,643.00	307,615.00	-	7,028.00	-
Loudensalger Elementary School - Unbundled Project, Exterior Closure, Plumbing	6/2/2015	2,498,969.00	1,928,286.32	-	-	570,682.68
Billingsport Elementary School - Unbundled Project, Exterior Closure, Plumbing	6/2/2015	729,479.00	686,993.62	-	-	42,485.38
Paulsboro High School - Unbundled Project Exterior Closure, Plumbing	6/2/2015	3,771,750.00	3,637,806.93	-	-	133,943.07
Paulsboro High School Track Improvements	4/1/2015	798,272.00	556,694.00	-	-	241,578.00
Loudenslager Elementary School Basketball Courts	4/1/2015	<u>325,000.00</u>	<u>22,619.00</u>	<u>-</u>	<u>-</u>	<u>302,381.00</u>
TOTAL		<u>\$ 8,780,040.00</u>	<u>\$ 7,457,007.87</u>	<u>\$ -</u>	<u>\$ 31,962.00</u>	<u>\$ 1,291,070.13</u>
RECONCILIATION TO GOVERNMENTAL FUNDS STATEMENTS (GAAP):						
Unexpended Balance as of June 30, 2023						\$ 1,291,070.13
SDA Grant Revenue Not Recognized on GAAP Basis						<u>(747,111.04)</u>
FUND BALANCE PER GOVERNMENTAL FUNDS (GAAP)						<u>\$ 543,959.09</u>

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

Revenues and Other Financing Sources:	
Bond Proceeds	\$ -
State Sources -- SDA Grant	-
Transfers	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>-</u>
EXPENDITURES AND OTHER FINANCING USES:	
Purchased Professional Services	\$ -
Miscellaneous Services	-
Construction Services	-
Transfer to General Fund	<u>31,962.00</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>31,962.00</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(31,962.00)
Fund Balance - July 1	<u>1,323,032.13</u>
Fund Balance - June 30	<u>\$ 1,291,070.13</u>
RECONCILIATION TO GOVERNMENTAL FUNDS STATEMENTS (GAAP):	
Fund Balance as of June 30, 2023	\$ 1,291,070.13
SDA Grant Revenue Not Recognized on GAAP Basis	<u>(747,111.04)</u>
FUND BALANCE PER GOVERNMENTAL FUNDS (GAAP)	<u>\$ 543,959.09</u>

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
RENOVATIONS TO HIGH SCHOOL GYMNASIUM
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES:				
State Sources -- SDA Grant	\$ 243,428.00	\$ -	\$ 243,428.00	\$ 243,428.00
Transfers	98,499.00	-	98,499.00	98,499.00
TOTAL REVENUES AND OTHER FINANCING SOURCES	341,927.00	-	341,927.00	341,927.00
EXPENDITURES AND OTHER FINANCING USES:				
Construction Services	316,993.00	-	316,993.00	341,927.00
Transfer to General Fund	-	24,934.00	24,934.00	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	316,993.00	24,934.00	341,927.00	341,927.00
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ 24,934.00	\$ (24,934.00)	\$ -	\$ -

Additional Project Information:

Project Number	4020-050-09-1001
Grant Date	10/28/2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	420,000.00
Additional Authorized Cost	(78,073.00)
Revised Authorized Cost	341,927.00
Percentage Increase over Original Authorized Cost	-18.59%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2011
Revised Target Completion Date	12/31/2011

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
PAULSBORO HIGH SCHOOL HVAC
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources -- SDA Grant	\$ 229,643.00	\$ -	\$ 229,643.00	\$ 229,643.00
Transfers	<u>85,000.00</u>	<u>-</u>	<u>85,000.00</u>	<u>85,000.00</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>314,643.00</u>	<u>-</u>	<u>314,643.00</u>	<u>314,643.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Construction Services	307,615.00	-	307,615.00	314,643.00
Transfer to General Fund	<u>-</u>	<u>7,028.00</u>	<u>7,028.00</u>	<u>-</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>307,615.00</u>	<u>7,028.00</u>	<u>314,643.00</u>	<u>314,643.00</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ 7,028.00</u>	<u>\$ (7,028.00)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4020-050-10-1001
Grant Date	6/7/2011
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	385,000.00
Additional Authorized Cost	(70,357.00)
Revised Authorized Cost	314,643.00
Percentage Increase over Original Authorized Cost	-18.27%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2012
Revised Target Completion Date	12/31/2012

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
LOUDENSLAGER ELEMENTARY SCHOOL - UNBUNDLES PROJECT, EXTERIOR CLOSURE, PLUMBING
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Bonds Proceeds	\$ 717,087.00	\$ -	\$ 717,087.00	\$ 717,087.00
State Sources - SDA Grant	<u>1,781,882.00</u>	<u>-</u>	<u>1,781,882.00</u>	<u>1,781,882.00</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>2,498,969.00</u>	<u>-</u>	<u>2,498,969.00</u>	<u>2,498,969.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Purchased Professional Services	219,340.15	-	219,340.15	226,830.00
Miscellaneous Services	622.00	-	622.00	4,832.00
Construction Services	<u>1,708,324.17</u>	<u>-</u>	<u>1,708,324.17</u>	<u>2,267,307.00</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>1,928,286.32</u>	<u>-</u>	<u>1,928,286.32</u>	<u>2,498,969.00</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 570,682.68</u>	<u>\$ -</u>	<u>\$ 570,682.68</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4020-070-14-G3GQ
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	717,087.00
Bonds Issued	717,087.00
Original Authorized Cost	2,498,969.00
Cancelation	-
Revised Authorized Cost	2,498,969.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	77.16%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	9/30/2022

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
BILLINGSPORT ELEMENTARY SCHOOL - UNBUNDLED PROJECT, EXTERIOR CLOSURE, PLUMBING
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Bond Proceeds	\$ 209,326.00	\$ -	\$ 209,326.00	\$ 209,326.00
State Sources - SDA Grant	<u>520,153.00</u>	<u>-</u>	<u>520,153.00</u>	<u>520,153.00</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>729,479.00</u>	<u>-</u>	<u>729,479.00</u>	<u>729,479.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Purchased Professional Services	106,687.97	-	106,687.97	88,308.00
Miscellaneous	133.00	-	133.00	1,342.00
Construction Services	<u>580,172.65</u>	<u>-</u>	<u>580,172.65</u>	<u>639,829.00</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>686,993.62</u>	<u>-</u>	<u>686,993.62</u>	<u>729,479.00</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 42,485.38</u>	<u>\$ -</u>	<u>\$ 42,485.38</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4020-060-14-G3GP
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	209,326.00
Bonds Issued	209,326.00
Original Authorized Cost	729,749.00
Cancellation	(270.00)
Revised Authorized Cost	729,479.00
Percentage Increase over Original Authorized Cost	-0.04%
Percentage Completion	94.18%
Original Target Completion Date	12/17/2018
Revised Target Completion Date	9/30/2022

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
PAULSBORO HIGH SCHOOL - UNBUNDLED PROJECT, EXTERIOR CLOSURE, PLUMBING
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES:				
Bond Proceeds	\$ 1,082,315.00	\$ -	\$ 1,082,315.00	\$ 1,082,315.00
State Sources - SDA Grant	<u>2,689,435.00</u>	<u>-</u>	<u>2,689,435.00</u>	<u>2,689,435.00</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>3,771,750.00</u>	<u>-</u>	<u>3,771,750.00</u>	<u>3,771,750.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional Services	366,083.99	-	366,083.99	244,183.00
Miscellaneous	163.00	-	163.00	7,247.00
Construction Services	<u>3,271,559.94</u>	<u>-</u>	<u>3,271,559.94</u>	<u>3,520,320.00</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>3,637,806.93</u>	<u>-</u>	<u>3,637,806.93</u>	<u>3,771,750.00</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 133,943.07</u>	<u>\$ -</u>	<u>\$ 133,943.07</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4020-050-14-G3GO
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	1,082,315.00
Bonds Issued	1,082,315.00
Original Authorized Cost	3,771,750.00
Cancellation	-
Revised Authorized Cost	3,771,750.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	96.45%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	6/30/2022

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
PAULSBORO HIGH SCHOOL TRACK IMPROVEMENTS
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Bond Proceeds	\$ 798,272.00	\$ -	\$ 798,272.00	\$ 798,272.00
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>798,272.00</u>	<u>-</u>	<u>798,272.00</u>	<u>798,272.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional Services	57,384.00	-	57,384.00	63,900.00
Construction Services	499,310.00	-	499,310.00	734,372.00
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>556,694.00</u>	<u>-</u>	<u>556,694.00</u>	<u>798,272.00</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 241,578.00</u>	<u>\$ -</u>	<u>\$ 241,578.00</u>	<u>\$ -</u>
<u>Additional Project Information:</u>				
Project Number	4020-050-1000			
Grant Date	N/A			
Bond Authorization Date	4/1/2015			
Bonds Authorized	798,272.00			
Bonds Issued	798,272.00			
Original Authorized Cost	798,272.00			
Cancellation	-			
Revised Authorized Cost	798,272.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	69.74%			
Original Target Completion Date	12/31/2016			
Revised Target Completion Date	12/31/2021			

**PAULSBORO SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
LOUDENSLAGER ELEMENTARY SCHOOL BASKETBALL COURTS
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Bond Proceeds	\$ 325,000.00	\$ -	\$ 325,000.00	\$ 325,000.00
TOTAL REVENUES AND OTHER FINANCING SOURCES	325,000.00	-	325,000.00	325,000.00
EXPENDITURES AND OTHER FINANCING USES				
Purchased Professional Services	22,619.00	-	22,619.00	26,000.00
Construction Services	-	-	-	299,000.00
TOTAL EXPENDITURES AND OTHER FINANCING USES	22,619.00	-	22,619.00	325,000.00
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 302,381.00	\$ -	\$ 302,381.00	\$ -

Additional Project Information:

Project Number	4020-070-15-1000
Grant Date	N/A
Bond Authorization Date	4/1/2015
Bonds Authorized	325,000.00
Bonds Issued	325,000.00
Original Authorized Cost	325,000.00
Cancellation	-
Revised Authorized Cost	325,000.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	6.96%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

I. Long-Term Debt

**PAULSBORO SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED JUNE 30, 2023**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES DATE</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2022</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2023</u>
School District Bonds - Series 2015	4/1/2015	\$ 3,132,000.00	4/1/2024	145,000.00	3.000%	\$ 2,297,000.00	\$ 140,000.00	\$ 2,157,000.00
			4/1/2025	150,000.00	3.000%			
			4/1/2026	155,000.00	3.000%			
			4/1/2027	165,000.00	3.000%			
			4/1/2028	170,000.00	3.000%			
			4/1/2029	180,000.00	3.000%			
			4/1/2030	180,000.00	3.000%			
			4/1/2031	190,000.00	3.250%			
			4/1/2032	195,000.00	3.250%			
			4/1/2033	205,000.00	3.250%			
			4/1/2034	210,000.00	3.500%			
			4/1/2035	212,000.00	3.500%			
					Total	<u>\$ 2,297,000.00</u>	<u>\$ 140,000.00</u>	<u>\$ 2,157,000.00</u>

PAULSBORO SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
 YEAR ENDED JUNE 30, 2023

<u>PURPOSE</u>	<u>DATE OF PURCHASE</u>	<u>PURCHASE TERM</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>		<u>INTEREST RATE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2022</u>	<u>RETIRED</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2023</u>
			<u>PRINCIPAL</u>	<u>INTEREST</u>				
Two 54 Passenger School Buses	7/15/2017	5 YEARS	\$ 232,396.32	\$ 15,701.92	2.190%	\$ 68,227.40	\$ 68,227.40	\$ -
					Total	\$ 68,227.40	\$ 68,227.40	\$ -

**PAULSBORO SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES					
Local Sources:					
Local Tax Levy	\$ 211,726.00	\$ -	\$ 211,726.00	\$ 211,726.00	\$ -
TOTAL REVENUES	<u>211,726.00</u>	<u>-</u>	<u>211,726.00</u>	<u>211,726.00</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service:					
Interest	72,495.00	-	72,495.00	72,495.00	-
Redemption of Principal	140,000.00	-	140,000.00	140,000.00	-
TOTAL REGULAR DEBT SERVICE	<u>212,495.00</u>	<u>-</u>	<u>212,495.00</u>	<u>212,495.00</u>	<u>-</u>
TOTAL EXPENDITURES	<u>212,495.00</u>	<u>-</u>	<u>212,495.00</u>	<u>212,495.00</u>	<u>-</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER)					
EXPENDITURES BEFORE OTHER FINANCING SOURCES/(USES)	<u>(769.00)</u>	<u>-</u>	<u>(769.00)</u>	<u>(769.00)</u>	<u>-</u>
OTHER FINANCING SOURCES/(USES)					
Operating Transfers In (Out):					
Transfer from General Fund	-	-	-	0.08	0.08
TOTAL OTHER FINANCING SOURCES/(USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.08</u>	<u>0.08</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER)					
EXPENDITURES AFTER OTHER FINANCING SOURCES/(USES)	<u>(769.00)</u>	<u>-</u>	<u>(769.00)</u>	<u>(768.92)</u>	<u>0.08</u>
Fund Balance, July 1,	768.92	-	768.92	768.92	-
Fund Balance, June 30,	<u>\$ (0.08)</u>	<u>\$ -</u>	<u>\$ (0.08)</u>	<u>\$ -</u>	<u>\$ 0.08</u>

STATISTICAL SECTION (Unaudited)

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. The Exhibits are presented for the last ten fiscal years.

**PAULSBORO 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	\$ 14,005,194.23	\$ 10,489,266.90	\$ 7,747,095.32	\$ 6,306,530.18	\$ 6,532,615.00	\$ 6,760,026.00	\$ 5,392,191.00	\$ 4,333,068.00	\$ 2,302,241.00	\$ 5,290,964.00
Restricted	5,133,325.12	5,740,047.05	5,539,277.77	4,703,824.34	2,063,929.65	1,848,782.00	2,455,511.00	2,777,753.00	3,213,715.00	639,243.00
Unrestricted (Deficit)	<u>(4,887,490.73)</u>	<u>(5,794,212.53)</u>	<u>(5,871,332.74)</u>	<u>(7,286,499.60)</u>	<u>(6,807,955.26)</u>	<u>(7,567,649.00)</u>	<u>(6,047,910.00)</u>	<u>(4,795,265.00)</u>	<u>(4,852,931.00)</u>	<u>(18,864.00)</u>
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	<u>\$ 14,251,028.62</u>	<u>\$ 10,435,101.42</u>	<u>\$ 7,415,040.35</u>	<u>\$ 3,723,854.92</u>	<u>\$ 1,788,589.39</u>	<u>\$ 1,041,159.00</u>	<u>\$ 1,799,792.00</u>	<u>\$ 2,315,556.00</u>	<u>\$ 663,025.00</u>	<u>\$ 5,911,343.00</u>
BUSINESS-TYPE ACTIVITIES:										
Net Investment in Capital Assets	\$ 8,472.26	\$ 9,661.22	\$ 10,850.18	\$ 6,477.29	\$ 7,313.12	\$ 8,149.00	\$ 8,985.00	\$ 9,821.00	\$ 5,234.00	\$ 7,464.00
Unrestricted (Deficit)	<u>330,352.78</u>	<u>246,457.94</u>	<u>94,501.51</u>	<u>91,812.34</u>	<u>82,453.67</u>	<u>44,435.00</u>	<u>144,045.00</u>	<u>105,832.00</u>	<u>78,339.00</u>	<u>(2,390.00)</u>
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	<u>\$ 338,825.04</u>	<u>\$ 256,119.16</u>	<u>\$ 105,351.69</u>	<u>\$ 98,289.63</u>	<u>\$ 89,766.79</u>	<u>\$ 52,584.00</u>	<u>\$ 153,030.00</u>	<u>\$ 115,653.00</u>	<u>\$ 83,573.00</u>	<u>\$ 5,074.00</u>
DISTRICT-WIDE:										
Net Investment in Capital Assets	\$ 14,013,666.49	\$ 10,498,928.12	\$ 7,757,945.50	\$ 6,313,007.47	\$ 6,539,928.12	\$ 6,768,175.00	\$ 5,401,176.00	\$ 4,342,889.00	\$ 2,307,475.00	\$ 5,298,428.00
Restricted	5,133,325.12	5,740,047.05	5,539,277.77	4,703,824.34	2,063,929.65	1,848,782.00	2,455,511.00	2,777,753.00	3,213,715.00	639,243.00
Unrestricted (Deficit)	<u>(4,557,137.95)</u>	<u>(5,547,754.59)</u>	<u>(5,776,831.23)</u>	<u>(7,194,687.26)</u>	<u>(6,725,501.59)</u>	<u>(7,523,214.00)</u>	<u>(5,903,865.00)</u>	<u>(4,689,433.00)</u>	<u>(4,774,592.00)</u>	<u>(21,254.00)</u>
TOTAL DISTRICT NET POSITION	<u>\$ 14,589,853.66</u>	<u>\$ 10,691,220.58</u>	<u>\$ 7,520,392.04</u>	<u>\$ 3,822,144.55</u>	<u>\$ 1,878,356.18</u>	<u>\$ 1,093,743.00</u>	<u>\$ 1,952,822.00</u>	<u>\$ 2,431,209.00</u>	<u>\$ 746,598.00</u>	<u>\$ 5,916,417.00</u>

*For the fiscal year ended June 30, 2021, the School District adopted GASB No 84, which required the School District to determine if certain activities that were previously reported as Fiduciary Activities Now met the criteria to be reported as Governmental Activities. As a result, net position and certain fund balances reported as of July 1, 2020 have been restated.

For the fiscal year ended June 30, 2015, the School District adopted GASBS no's 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are show as originally reported and have not be restated for this adoption.

Source: Exhibit A-1

**PAULSBORO SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (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>
EXPENSES										
GOVERNMENTAL ACTIVITIES										
Instruction:										
Regular	\$ 6,058,247.50	\$ 6,368,049.32	\$ 5,492,385.67	\$ 5,143,584.41	\$ 5,387,277.00	\$ 5,858,718.00	\$ 5,648,527.00	\$ 6,058,930.00	\$ 5,864,909.00	\$ 5,348,121.00
Special Education	4,196,346.77	4,077,988.81	3,999,036.53	3,059,456.68	3,478,543.00	2,911,933.00	3,247,102.00	3,159,325.00	3,049,687.00	3,143,366.00
Basic Skills/Remedial	28,009.81	40,465.87	-	-	-	-	-	-	-	-
Bilingual Education	142,689.85	53,381.77	-	-	-	-	-	-	-	-
School Sponsored Activities	585,428.73	584,015.22	425,038.85	466,959.46	-	-	-	-	-	-
Other Instruction	15,284.45	9,410.00	49,341.15	49,366.63	407,557.00	490,712.00	565,651.00	548,956.00	615,464.00	1,065,131.00
Support Services:										
Tuition	2,085,080.90	1,733,579.00	2,010,744.29	2,348,774.41	3,409,709.00	3,282,778.00	2,717,272.00	1,843,059.00	1,525,656.00	1,669,618.00
Student and Instruction Related Services	4,779,649.92	3,521,561.60	2,437,840.33	2,539,625.98	1,559,922.00	1,963,307.00	2,211,805.00	1,898,373.00	1,978,961.00	2,064,512.00
General Administrative	502,456.05	561,025.54	556,073.42	425,411.65	556,070.00	577,922.00	409,890.00	451,708.00	437,673.00	380,548.00
School Administrative Services	856,575.35	702,407.75	928,241.48	784,146.69	680,649.00	751,436.00	953,041.00	925,178.00	912,215.00	868,322.00
Central Services	318,609.47	325,212.88	348,055.82	257,664.76	266,463.00	239,446.00	262,821.00	247,573.00	236,181.00	232,388.00
Administration Information Technology	88,270.00	89,043.45	192,728.89	112,160.27	132,167.00	144,582.00	68,743.00	73,473.00	102,135.00	105,689.00
Plant Operations & Maintenance	1,909,785.16	2,134,925.56	1,700,428.54	2,064,336.20	1,699,340.00	1,565,345.00	1,393,830.00	1,609,360.00	1,545,376.00	1,447,747.00
Pupil Transportation	2,251,522.24	958,228.94	832,391.58	819,917.68	1,102,957.00	930,714.00	849,518.00	678,201.00	743,131.00	602,489.00
Unallocated Benefits	9,781,171.51	7,818,976.66	10,197,037.83	7,843,216.99	9,336,950.00	11,918,534.00	6,767,235.00	8,100,032.00	8,087,277.00	5,503,188.00
Transfer to Charter School	443,628.00	427,710.00	198,976.00	117,117.00	66,276.00	137,545.00	-	-	-	-
Interest on Long-term Debt	78,916.00	80,836.97	79,357.50	83,107.50	153,944.00	113,641.00	102,702.00	99,550.00	27,734.00	18,580.00
Unallocated Depreciation	650,450.85	592,382.01	555,468.70	549,445.27	574,493.00	635,942.00	496,048.00	518,503.00	362,438.00	342,411.00
Loss on Retirement of Capital Assets	-	-	-	-	-	-	-	-	(28,640.00)	92,282.00
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	<u>34,772,122.56</u>	<u>30,079,201.35</u>	<u>30,003,146.58</u>	<u>26,664,291.58</u>	<u>28,812,317.00</u>	<u>31,522,555.00</u>	<u>25,694,185.00</u>	<u>26,212,221.00</u>	<u>25,460,197.00</u>	<u>22,884,392.00</u>
BUSINESS-TYPE ACTIVITIES:										
Food Service	965,693.41	816,029.19	435,820.73	723,022.69	751,102.00	883,504.00	765,941.00	756,712.00	714,814.00	754,692.00
TOTAL DISTRICT EXPENSES	<u>\$ 35,737,815.97</u>	<u>\$ 30,895,230.54</u>	<u>\$ 30,438,967.31</u>	<u>\$ 27,387,314.27</u>	<u>\$ 29,563,419.00</u>	<u>\$ 32,406,059.00</u>	<u>\$ 26,460,126.00</u>	<u>\$ 26,968,933.00</u>	<u>\$ 26,175,011.00</u>	<u>\$ 23,639,084.00</u>
PROGRAM REVENUES										
GOVERNMENTAL ACTIVITIES:										
Operating Grants & Contributions	\$ 7,150,565.76	\$ 6,839,452.09	\$ 8,956,109.83	\$ 5,742,384.72	\$ 6,349,007.00	\$ 9,353,972.00	\$ 4,352,068.00	\$ 6,667,295.00	\$ 5,835,066.00	\$ 3,490,926.00
Charges for Services	1,318,012.13	1,320,067.15	1,374,705.20	1,373,213.26	-	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES	<u>8,468,577.89</u>	<u>8,159,519.24</u>	<u>10,330,815.03</u>	<u>7,115,597.98</u>	<u>6,349,007.00</u>	<u>9,353,972.00</u>	<u>4,352,068.00</u>	<u>6,667,295.00</u>	<u>5,835,066.00</u>	<u>3,490,926.00</u>
BUSINESS-TYPE ACTIVITIES:										
Charges for Services:										
Food Service	14,392.35	8,335.06	900.00	23,655.85	27,245.00	32,690.00	37,214.00	29,850.00	24,624.00	62,328.00
Operating Grants & Contributions:										
Food Service	1,034,006.94	958,461.60	441,982.79	707,889.68	761,040.00	750,368.00	766,104.00	758,942.00	768,689.00	584,698.00
TOTAL BUSINESS TYPE ACTIVITIES PROGRAM REVENUES	<u>1,048,399.29</u>	<u>966,796.66</u>	<u>442,882.79</u>	<u>731,545.53</u>	<u>788,285.00</u>	<u>783,058.00</u>	<u>803,318.00</u>	<u>788,792.00</u>	<u>793,313.00</u>	<u>647,026.00</u>
TOTAL DISTRICT PROGRAM REVENUES	<u>\$ 9,516,977.18</u>	<u>\$ 9,126,315.90</u>	<u>\$ 10,773,697.82</u>	<u>\$ 7,847,143.51</u>	<u>\$ 7,137,292.00</u>	<u>\$ 10,137,030.00</u>	<u>\$ 5,155,386.00</u>	<u>\$ 7,456,087.00</u>	<u>\$ 6,628,379.00</u>	<u>\$ 4,137,952.00</u>
NET (EXPENSE)/REVENUE										
Governmental Activities	\$ (26,303,544.67)	\$ (21,919,682.11)	\$ (19,672,331.55)	\$ (19,548,693.60)	\$ (22,463,310.00)	\$ (22,168,583.00)	\$ (21,342,117.00)	\$ (19,544,926.00)	\$ (19,625,131.00)	\$ (19,393,466.00)
Business-Type Activities	82,705.88	150,767.47	7,062.06	8,522.84	37,183.00	(100,446.00)	37,377.00	32,080.00	78,499.00	(107,666.00)
TOTAL DISTRICT-WIDE NET EXPENSE	<u>\$ (26,220,838.79)</u>	<u>\$ (21,768,914.64)</u>	<u>\$ (19,665,269.49)</u>	<u>\$ (19,540,170.76)</u>	<u>\$ (22,426,127.00)</u>	<u>\$ (22,269,029.00)</u>	<u>\$ (21,304,740.00)</u>	<u>\$ (19,512,846.00)</u>	<u>\$ (19,546,632.00)</u>	<u>\$ (19,501,132.00)</u>
GENERAL REVENUES & OTHER CHANGES IN NET POSITION										
Total Governmental Activities	\$ 30,119,471.87	\$ 24,939,743.27	\$ 22,769,876.24	\$ 21,483,959.13	\$ 23,536,371.00	\$ 21,409,950.00	\$ 20,826,353.00	\$ 21,197,457.00	\$ 19,913,478.00	\$ 19,609,394.00
Total Business-type Activities	-	-	-	-	-	-	-	-	-	-
TOTAL DISTRICT-WIDE	<u>\$ 30,119,471.87</u>	<u>\$ 24,939,743.27</u>	<u>\$ 22,769,876.24</u>	<u>\$ 21,483,959.13</u>	<u>\$ 23,536,371.00</u>	<u>\$ 21,409,950.00</u>	<u>\$ 20,826,353.00</u>	<u>\$ 21,197,457.00</u>	<u>\$ 19,913,478.00</u>	<u>\$ 19,609,394.00</u>

**PAULSBORO SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (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>
CHANGE IN NET POSITION										
Governmental Activities	\$ 3,815,927.20	\$ 3,020,061.16	\$ 3,097,544.69	\$ 1,935,265.53	\$ 1,073,061.00	\$ (758,633.00)	\$ (515,764.00)	\$ 1,652,531.00	\$ 288,347.00	\$ 215,928.00
Business-Type Activities	82,705.88	150,767.47	7,062.06	8,522.84	37,183.00	(100,446.00)	37,377.00	32,080.00	78,499.00	(107,666.00)
TOTAL DISTRICT	<u>\$ 3,898,633.08</u>	<u>\$ 3,170,828.63</u>	<u>\$ 3,104,606.75</u>	<u>\$ 1,943,788.37</u>	<u>\$ 1,110,244.00</u>	<u>\$ (859,079.00)</u>	<u>\$ (478,387.00)</u>	<u>\$ 1,684,611.00</u>	<u>\$ 366,846.00</u>	<u>\$ 108,262.00</u>

*For the fiscal year ended June 30, 2021, the School District adopted GASB No. 84 which required the Scholl District to determine if certain activities that were previously reported as Fiduciary Activities now met the criteria to be reported as Governmental Activities. As a result, net position and certain fund balances reported as of July 1, 2020 have been restricted.

In accordance with GASBS No. 65, effective for the fiscal year ended June 30, 2013, the method expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as original reported and have not been restated for this adoption.

Source: Exhibit A-2

**PAULSBORO SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
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>
General Fund:										
Restricted	\$ 4,357,148.74	\$ 4,970,485.62	\$ 4,247,777.41	\$ 3,625,797.33	\$ 963,657.00	\$ -	\$ 254,599.00	\$ 272,979.00	\$ 121,823.00	\$ 176,509.00
Assigned	697,244.50	4,119.40	1,053,818.08	225,267.61	272,523.00	406,587.00	1,842,073.00	1,752,539.00	1,649,640.00	1,335,222.00
Unassigned (Deficit)	<u>(392,124.93)</u>	<u>(264,820.65)</u>	<u>(477,285.13)</u>	<u>(765,808.90)</u>	<u>(4,526.11)</u>	<u>(1,019,217.00)</u>	<u>(986,695.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Fund	<u>\$ 4,662,268.31</u>	<u>\$ 4,709,784.37</u>	<u>\$ 4,824,310.36</u>	<u>\$ 3,085,256.04</u>	<u>\$ 1,231,653.89</u>	<u>\$ (612,630.00)</u>	<u>\$ 1,109,977.00</u>	<u>\$ 2,025,518.00</u>	<u>\$ 1,771,463.00</u>	<u>\$ 1,511,731.00</u>
All Other Governmental Funds:										
Restricted	\$ 776,176.38	\$ 769,561.43	\$ 1,291,500.36	\$ 1,078,027.01	\$ 1,100,273.09	\$ 1,848,782.00	\$ 2,182,995.00	\$ 2,511,467.00	\$ 3,092,671.00	\$ 16,894.00
Unassigned (Deficit), Reported in: Special Revenue Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(106,381.10)</u>	<u>(69,272.50)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 776,176.38</u>	<u>\$ 769,561.43</u>	<u>\$ 1,291,500.36</u>	<u>\$ 971,645.91</u>	<u>\$ 1,031,000.59</u>	<u>\$ 1,848,782.00</u>	<u>\$ 2,182,995.00</u>	<u>\$ 2,511,467.00</u>	<u>\$ 3,092,671.00</u>	<u>\$ 16,894.00</u>

Source: Exhibit B-1

*For the fiscal year ended June 30, 2021, the School District adopted GASB No. 84, which required the School District to determine if certain activities that were previously reported as Fiduciary Activities now met the criteria to be reported as Governmental Activities. As a result, net position and certain fund balances reported as July 1, 2020 have not been restated.

**PAULSBORO SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Modified Accrual Basis of Accounting)
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>
REVENUES										
Local Tax Levy	\$ 6,878,204.00	\$ 6,742,788.00	\$ 6,739,513.00	\$ 6,503,786.00	\$ 6,308,478.00	\$ 6,020,338.00	\$ 5,908,377.00	\$ 5,790,151.00	\$ 5,602,592.00	\$ 5,519,861.00
Tuition Charges	1,277,402.72	1,270,567.59	1,351,981.85	1,373,213.26	1,523,090.00	1,215,109.00	1,326,895.00	1,562,693.00	1,496,167.00	1,566,297.00
Miscellaneous	201,512.44	291,444.37	100,834.34	114,184.82	400,571.00	507,917.00	270,497.00	768,046.00	501,712.00	371,979.00
Local Sources	-	-	71,843.53	-	-	-	-	-	-	-
State Sources	23,157,006.78	21,550,310.71	19,893,742.47	18,069,863.57	17,090,825.00	16,627,971.00	15,938,942.00	15,987,493.00	14,544,749.00	14,215,136.00
Federal Sources	<u>7,073,923.82</u>	<u>3,244,151.84</u>	<u>2,109,481.08</u>	<u>1,472,055.46</u>	<u>1,998,293.00</u>	<u>1,491,452.00</u>	<u>1,733,710.00</u>	<u>1,829,312.00</u>	<u>1,378,426.00</u>	<u>1,334,795.00</u>
TOTAL REVENUES	<u>38,588,049.76</u>	<u>33,099,262.51</u>	<u>30,267,396.27</u>	<u>27,533,103.11</u>	<u>27,321,257.00</u>	<u>25,862,787.00</u>	<u>25,178,421.00</u>	<u>25,937,695.00</u>	<u>23,523,646.00</u>	<u>23,008,068.00</u>
EXPENDITURES										
Instruction:										
Regular Instruction	\$ 6,058,247.50	\$ 6,368,049.32	\$ 5,477,859.67	\$ 5,282,751.91	\$ 5,387,277.00	\$ 5,858,718.00	\$ 5,648,527.00	\$ 6,058,930.00	\$ 5,864,909.00	\$ 5,348,121.00
Special Education Instruction	4,196,346.77	4,077,988.81	3,992,292.69	3,059,456.68	3,478,543.00	2,911,933.00	3,247,102.00	3,159,325.00	3,049,687.00	3,143,366.00
Basic Skills/Remedial	28,009.81	40,465.87	-	-	-	-	-	-	-	-
Bilingual Education	142,689.85	53,381.77	-	-	-	-	-	-	-	-
School Sponsored Activities	585,428.73	584,015.22	425,038.85	466,959.46	-	-	-	-	-	-
Other Instruction	15,284.45	9,410.00	49,341.15	49,366.63	407,557.00	490,712.00	565,651.00	548,956.00	615,464.00	1,065,131.00
Support Services:										
Tuition	2,085,080.90	1,733,579.00	2,010,744.29	2,348,774.41	3,409,709.00	3,282,778.00	2,717,272.00	1,843,059.00	1,525,656.00	1,669,618.00
Student and Instruction Related Services	4,779,649.92	3,521,561.60	2,428,466.96	2,553,737.23	1,674,788.00	1,963,307.00	2,211,805.00	1,898,373.00	1,978,961.00	2,064,512.00
General Administration	502,456.05	561,025.54	560,604.84	472,847.74	556,070.00	577,922.00	409,890.00	451,708.00	437,673.00	380,548.00
School Administrative Services	856,575.35	702,407.75	873,278.33	789,819.19	680,649.00	751,436.00	953,041.00	925,178.00	912,215.00	868,322.00
Central Services	318,609.47	325,212.88	348,055.82	257,664.76	266,463.00	239,446.00	262,821.00	247,573.00	236,181.00	232,388.00
Administration Information Technology	88,270.00	136,564.72	237,418.47	156,163.83	132,167.00	144,582.00	68,743.00	73,473.00	102,135.00	105,689.00
Plant Operations and Maintenance	1,909,785.16	2,134,925.56	1,697,579.06	2,064,436.24	1,512,572.00	1,565,345.00	1,393,830.00	1,609,360.00	1,545,376.00	1,447,747.00
Pupil Transportation	2,319,749.64	991,682.08	917,225.40	925,843.80	1,202,479.00	930,714.00	849,518.00	678,201.00	743,131.00	602,489.00
Unallocated Benefits	5,316,147.07	4,436,239.66	3,989,696.96	3,931,880.82	3,785,773.00	6,952,370.00	6,434,487.00	6,127,742.00	5,819,504.00	5,590,178.00
Reimbursed TPAF Pension and Social Security	4,804,875.42	4,315,215.16	3,621,782.82	2,979,538.36	3,071,422.00	-	-	-	-	-
Transfer to Charter School	443,628.00	427,710.00	198,976.00	117,117.00	66,276.00	137,545.00	-	-	-	-
Capital Outlay	3,958,150.78	3,097,276.49	1,407,609.94	73,452.58	204,462.00	1,906,429.00	1,951,677.00	2,552,899.00	249,545.00	204,417.00
Debt Service:										
Principal	140,000.00	135,000.00	125,000.00	125,000.00	115,000.00	329,744.00	265,631.00	110,000.00	235,000.00	275,370.00
Interest & Other Charges	<u>79,966.00</u>	<u>84,016.00</u>	<u>80,295.00</u>	<u>84,045.00</u>	<u>87,495.00</u>	<u>109,022.00</u>	<u>104,576.00</u>	<u>86,165.00</u>	<u>4,700.00</u>	<u>14,528.00</u>
TOTAL EXPENDITURES	<u>38,628,950.87</u>	<u>33,735,727.43</u>	<u>28,441,266.25</u>	<u>25,738,855.64</u>	<u>26,038,702.00</u>	<u>28,152,003.00</u>	<u>27,084,571.00</u>	<u>26,370,942.00</u>	<u>23,320,137.00</u>	<u>23,012,424.00</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (40,901.11)	\$ (636,464.92)	\$ 1,826,130.02	\$ 1,794,247.47	\$ 1,282,555.00	\$ (2,289,216.00)	\$ (1,906,150.00)	\$ (433,247.00)	\$ 203,509.00	\$ (4,356.00)

**PAULSBORO SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Modified Accrual Basis of Accounting)
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>
OTHER FINANCING SOURCES (USES):										
Bond Proceeds	-	-	-	-	-	-	-	-	3,132,000.00	-
Insurance Recovery Related to Impaired Capital Asset	-	-	-	-	-	-	-	-	-	92,282.00
Capital Lease	-	-	-	-	-	232,396.00	662,137.00	106,098.00	-	-
Interest on Capital Note	-	-	-	-	(67,312.00)	-	-	-	-	-
Transfers in	31,962.08	3,270.00	17,239.00	111,129.00	-	-	-	-	-	-
Transfers Out	(31,962.08)	(3,270.00)	(17,239.00)	(111,129.00)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES/(USES)	\$ -	\$ -	\$ -	\$ -	\$ (67,312.00)	\$ 232,396.00	\$ 662,137.00	\$ 106,098.00	\$ 3,132,000.00	\$ 92,282.00
NET CHANGE IN FUND BALANCES	\$ (40,901.11)	\$ (636,464.92)	\$ 1,826,130.02	\$ 1,794,247.47	\$ 1,215,243.00	\$ (2,056,820.00)	\$ (1,244,013.00)	\$ (327,149.00)	\$ 3,335,509.00	\$ 87,926.00
Debt Service as a Percentage of Noncapital Expenditures	0.64%	0.72%	0.77%	0.82%	0.79%	1.70%	1.50%	0.83%	1.05%	1.29%

* For the fiscal year ended June 30, 2021, the School District adopted GASB No. 84, which required the School District to determine if certain activities that were previously reported as Fiduciary Activities now met the criteria to be reported as Governmental Activities. As a result, net position and certain fund balances reported as of July 1, 2020 have been restated.

Source: Exhibit B-2

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS (Modified Accrual Basis of Accounting)
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>
Interest on Investments	\$ -	\$ 5,300.25	\$ 7,572.46	\$ 8,265.99	\$ 4,031.00	\$ 4,867.00	\$ 4,867.00	\$ 6,951.00	\$ 10,753.00	\$ 9,441.00
Claims and Settlement	-	-	5,911.00	95,627.08	-	-	-	-	-	-
Prior Year Refunds	-	-	74,532.53	-	43,166.00	1,587.00	1,587.00	18,764.00	57,503.00	34,864.00
Sale of Assets	-	-	-	881.00	-	-	-	-	-	-
Admissions	-	8,448.28	878.32	-	-	-	-	-	-	-
Student Activity	-	-	-	-	9,647.00	27,827.00	27,827.00	27,345.00	32,524.00	15,267.00
Transportation	-	-	-	385.00	5,355.00	-	-	-	-	-
Miscellaneous	<u>67,557.53</u>	<u>177,696.75</u>	<u>11,171.03</u>	<u>7,573.08</u>	<u>315,541.00</u>	<u>416,615.00</u>	<u>152,884.00</u>	<u>224,288.00</u>	<u>46,257.00</u>	<u>31,893.00</u>
Total Miscellaneous Revenues	<u>\$ 67,557.53</u>	<u>\$ 191,445.28</u>	<u>\$ 100,065.34</u>	<u>\$ 112,732.15</u>	<u>\$ 377,740.00</u>	<u>\$ 450,896.00</u>	<u>\$ 187,165.00</u>	<u>\$ 277,348.00</u>	<u>\$ 147,037.00</u>	<u>\$ 91,465.00</u>

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

PAULSBORO SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS
UNAUDITED

FISCAL YEAR ENDED DEC 31,	VACANT LAND	RESIDENTIAL	FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES (1)	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE	TOTAL DIRECT SCHOOL TAX RATE (2)
2023	4,188,500.00	204,845,400.00	27,100.00	28,534,800.00	95,836,300.00	8,819,700.00	342,251,800.00	-	342,251,800.00	65,597,600.00	276,654,200.00	2.011
2022	4,075,600.00	203,757,300.00	26,400.00	28,497,900.00	95,836,300.00	8,819,700.00	341,013,200.00	-	341,013,200.00	65,589,600.00	275,423,600.00	1.998
2021	4,389,300.00	202,937,300.00	25,700.00	26,717,600.00	96,640,300.00	8,819,700.00	339,529,900.00	-	339,529,900.00	65,433,600.00	322,563,082.00	1.986
2020	3,792,600.00	202,557,500.00	26,400.00	27,249,800.00	96,965,300.00	8,819,700.00	339,411,300.00	-	339,411,300.00	37,385,100.00	339,111,585.00	1.951
2019	3,835,000.00	202,918,600.00	14,500.00	27,560,300.00	96,965,300.00	8,446,600.00	339,740,300.00	-	339,740,300.00	67,892,500.00	334,445,341.00	1.885
2018	4,072,900.00	204,644,100.00	14,500.00	27,603,200.00	113,205,300.00	8,469,400.00	358,009,400.00	-	358,009,400.00	60,375,300.00	372,165,290.00	1.722
2017	5,042,500.00	205,022,200.00	14,500.00	27,239,100.00	113,205,300.00	8,404,400.00	358,928,000.00	-	358,928,000.00	59,395,500.00	372,326,549.00	1.722
2016	4,921,000.00	205,603,800.00	14,100.00	27,709,800.00	113,205,300.00	8,404,400.00	359,858,400.00	1,438,112.00	361,296,512.00	59,162,400.00	361,296,512.00	1.705
2015	3,988,500.00	205,881,500.00	19,300.00	27,467,300.00	115,355,300.00	8,404,400.00	361,116,300.00	1,465,264.00	362,581,564.00	58,175,600.00	387,272,513.00	1.576
2014	4,329,400.00	223,713,100.00	19,300.00	30,984,100.00	127,402,300.00	4,367,700.00	390,815,900.00	1,417,859.00	392,233,759.00	68,627,300.00	409,133,443.00	1.571

(1) Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100 of Assessed Valuation

* Reassessment

PAULSBORO SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)
UNAUDITED

FISCAL YEAR ENDED DEC 31,	DISTRICT DIRECT RATE			OVERLAPPING RATES				
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	BOROUGH OF PAULSBORO	LOCAL LIBRARY	GLOUCESTER COUNTY	COUNTY OPEN SPACE	TOTAL DIRECT AND OVERLAPPING TAX RATE
2023	1.951	0.060	2.011	1.700	0.037	0.610	0.038	4.396
2022	1.938	0.060	1.998	1.622	0.035	0.624	0.037	4.316
2021	1.926	0.060	1.986	1.556	0.032	0.620	0.038	4.232
2020	1.895	0.056	1.951	1.524	0.034	0.657	0.040	4.206
2019	1.825	0.060	1.885	1.494	0.034	0.622	0.039	4.074
2018	1.665	0.057	1.722	1.375	0.035	0.667	0.042	3.841
2017	1.663	0.059	1.722	1.383	0.034	0.661	0.042	3.842
2016	1.647	0.058	1.705	1.354	0.034	0.638	0.042	3.773
2015	1.543	0.033	1.576	1.315	0.035	0.657	0.045	3.628
2014	1.530	0.041	1.571	1.294	0.030	0.594	0.042	3.531

Source: Municipal Tax Collector

PAULSBORO SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO
 UNAUDITED

Taxpayer	2023			2014		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
	DATA NOT AVAILABLE			DATA NOT AVAILABLE		
TOTAL	\$ -		\$ -	\$ -		\$ -

Source: Municipal Tax Assessor

**PAULSBORO SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>SCHOOL DISTRICT TAXES LEVIED FOR THE FISCAL YEAR</u>	<u>Collected Within the Fiscal Year of the Levy (1)</u>		<u>PERCENTAGE OF LEVY</u>	<u>COLLETIONS IN SUBSEQUENT YEARS</u>
		<u>AMOUNT</u>			
2023	\$ 6,878,204.00	\$ 6,878,204.00		100.00%	-
2022	6,742,788.00	6,742,788.00		100.00%	-
2021	6,739,513.00	6,739,513.00		100.00%	-
2020	6,503,786.00	6,503,786.00		100.00%	-
2019	6,308,478.00	6,308,478.00		100.00%	-
2018	3,020,338.00	3,020,338.00		100.00%	-
2017	5,908,377.00	5,908,377.00		100.00%	-
2016	5,790,151.00	5,790,151.00		100.00%	-
2015	5,602,592.00	5,602,592.00		100.00%	-
2014	5,519,831.00	5,519,831.00		100.00%	-

(1) School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

Source: District Record

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 historical view of the School District's outstanding debt and its debt capacity.

**PAULSBORO SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES (1)			PERCENTGE OF PERSONAL INCOME (2)	PER CAPITA (3)
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT		
2023	\$ 2,157,000.00	\$ -	\$ 2,157,000.00	Unavailable	Unavailable
2022	2,297,000.00	-	2,297,000.00	Unavailable	367.58
2021	2,432,000.00	149,201.81	2,581,201.81	0.66%	411.28
2020	2,557,000.00	274,460.25	2,831,460.25	0.80%	482.69
2019	2,682,000.00	536,129.29	3,218,129.29	0.97%	549.36
2018	2,797,000.00	613,756.00	3,410,756.00	1.06%	579.57
2017	2,912,000.00	596,104.00	3,508,104.00	1.13%	595.00
2016	3,022,000.00	89,598.00	3,111,598.00	1.29%	524.99
2015	3,132,000.00	-	3,132,000.00	1.06%	524.89
2014	235,000.00	-	235,000.00	0.08%	39.21

Sources:

(1) District Records

(2) Personal income has been estimated based upon the municipal population and per capita

(3) Per Capita personal income data provided by the NJ Dept. of Labor and Workforce

PAULSBORO SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding (1)</u>	<u>Percentage of</u> <u>Net Assessed</u> <u>Valuation</u> <u>Taxable (2)</u>	<u>Per Capita (3)</u>
2023	\$ 2,157,000.00	\$ -	2,157,000.00	0.63%	Unavailable
2022	2,297,000.00	-	2,297,000.00	0.67%	367.58
2021	2,432,000.00	-	2,432,000.00	0.72%	387.51
2020	2,557,000.00	-	2,557,000.00	0.75%	435.90
2019	2,682,000.00	-	2,682,000.00	0.79%	457.84
2018	2,797,000.00	-	2,797,000.00	0.78%	475.28
2017	2,912,000.00	-	2,912,000.00	0.81%	493.89
2016	3,022,000.00	-	3,022,000.00	0.84%	509.87
2015	3,132,000.00	-	3,132,000.00	0.86%	524.89
2014	235,000.00	-	235,000.00	0.06%	39.21

Sources:

(1) District Records

(2) Net assessed valuation provided by Abstract of Relatables, County Board of Taxation

(3) Per capita calculation based upon population information provided by the NJ Dept. of Labor and Workforce Development

PAULSBORO SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of December 31, 2022
UNAUDITED

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Paulsboro Borough</u>
MUNICIPAL DEBT (1):				
Paulsboro School District	\$ 2,157,000.00	\$ 2,157,000.00	\$ -	\$ -
Self Liquidating Debt	21,771,221.77	20,344,031.57	1,427,190.20	1,427,190.20
Paulsboro Borough	<u>8,080,969.28</u>	<u>607,600.00</u>	<u>7,473,369.28</u>	<u>7,473,369.28</u>
	<u>32,009,191.05</u>	<u>23,108,631.57</u>	<u>8,900,559.48</u>	<u>8,900,559.48</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY:				
County of Gloucester (2):				
General:				
Bonds	243,337,000.00	17,277,880.00	226,059,120.00	1,839,395.76 (4)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>110,331,255.00</u>	<u>110,331,255.00</u>	(3) <u>-</u>	<u>-</u>
	<u>353,668,255.00</u>	<u>127,609,135.00</u>	<u>226,059,120.00</u>	<u>1,839,395.76</u>
	<u>\$ 385,677,446.05</u>	<u>\$ 150,717,766.57</u>	<u>\$ 234,959,679.48</u>	<u>\$ 10,739,955.24</u>

Sources:

(1) 2022 Annual Debt Statement

(2) County's 2022 Audit Report

(3) Deductible in accordance with N.J.S 40:37A-80

(4) Such debt is allocated as a proportion of the Borough's share of the total 2022 Equalized Value, which is 0.81%

The source for this computation was the 2022 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

**PAULSBORO SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

	FISCAL YEAR									
	<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>
Debt Limit	\$ 14,134,064.89	\$ 13,436,912.17	\$ 13,439,083.53	\$ 14,070,413.00	\$ 14,550,605.00	\$ 14,812,309.00	\$ 14,983,610.00	\$ 15,453,720.00	\$ 16,409,873.00	\$ 17,282,194.00
Total Net Debt Applicable to Limit	<u>2,157,000.00</u>	<u>2,297,000.00</u>	<u>2,432,000.00</u>	<u>2,557,000.00</u>	<u>2,682,000.00</u>	<u>2,797,000.00</u>	<u>2,912,000.00</u>	<u>3,022,000.00</u>	<u>3,132,000.00</u>	<u>235,000.00</u>
Legal Debt Margin	<u>\$ 11,977,064.89</u>	<u>\$ 11,139,912.17</u>	<u>\$ 11,007,083.53</u>	<u>\$ 11,513,413.00</u>	<u>\$ 11,868,605.00</u>	<u>\$ 12,015,309.00</u>	<u>\$ 12,071,610.00</u>	<u>\$ 12,431,720.00</u>	<u>\$ 13,277,873.00</u>	<u>\$ 17,047,194.00</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.26%	17.09%	18.10%	18.17%	18.43%	18.88%	19.43%	19.56%	19.09%	1.36%

Legal Debt Margin Calculation

	Equalized Valuation Basis (1)	
	2022	\$ 388,796,260.00
	2021	348,808,198.00
	2020	322,450,409.00
		<u>\$ 1,060,054,867.00</u> [A]
		[A/3]
Average Equalized Valuation of Taxable Property		\$ 353,351,622.33
Debt Limit (4% of Average Equalization Value) (2)		\$ 14,134,064.89 [B]
Net Bonded School Debt (3)		<u>2,157,000.00</u> [C]
Legal Debt Margin		<u>\$ 11,977,064.89</u> [B-C]

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of New Jersey, Department of Treasury, Division of Taxation,
- (2) Limit set by NJSA 18A:24-19 for a K through 12 district,
- (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within 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.

**PAULSBORO 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	6,249	Unavailable	Unavailable	6.2%
2021	6,276	392,582,628.00	62,553.00	10.2%
2020	5,866	354,224,276.00	60,386.00	14.3%
2019	5,858	333,044,874.00	56,853.00	6.8%
2018	5,885	321,591,710.00	54,646.00	3.7%
2017	5,896	310,890,184.00	52,729.00	4.1%
2016	5,927	241,750,476.00	40,788.00	4.9%
2015	5,967	296,094,474.00	49,622.00	7.8%
2014	5,993	284,104,158.00	47,406.00	8.8%

Sources:

- (1) Population 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 provided by the NJ Dept. of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept. of Labor and Workforce Development

PAULSBORO SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 UNAUDITED

2023			2014		
EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT

DATA NOT AVAILABLE

DATA NOT AVAILABLE

Total	<u>-</u>	<u>0.000%</u>	<u>-</u>	<u>0.000%</u>
Total Employment - (Estimated)	<u>-</u>		<u>-</u>	

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.

PAULSBORO SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

Function/Program	<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>
INSTRUCTION	146.00	151.00	156.50	154.00	154.00	153.00	167.00	160.00	156.00	161.00
SUPPORT SERVICES:										
Administrative Information Technology	4	2	4	2	2	3	3	3	2	2
School Administrative Services	12	12	10	14	14	14	18	18	20	20
General & Business Administrative Services	4	4	4.5	3.5	3.5	3.5	3.6	3	3	3
Plant Operations and Maintenance	22	15	18	19.5	19.5	18	18	17	17	16
Pupil Transportation	5	6	6	9.5	9.5	6.5	6	6	4	5
Business and Other Support Services	<u>20</u>	<u>8</u>	<u>10</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>9</u>
 TOTAL	 <u>212</u>	 <u>198</u>	 <u>209</u>	 <u>207</u>	 <u>207</u>	 <u>202</u>	 <u>220</u>	 <u>211</u>	 <u>206</u>	 <u>216</u>

Source: District Personnel Records

PAULSBORO SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 UNAUDITED

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	JUNIOR HIGH SCHOOL	HIGH SCHOOL				
2023	1,286	\$ 34,450,834.09	\$ 26,789.14	7.35%	132	11,5	12,2	13,9	1,257	1,141	4.32%	90.77%
2022	1,219	30,419,434.94	24,954.42	9.57%	114	11,1	6,1	15,1	1,205	1,072	4.78%	88.96%
2021	1,178	26,828,361.31	22,774.50	6.19%	119	12,1	8,6	9,3	1,150	984	-1.03%	85.57%
2020	1,187	25,456,358.06	21,445.96	-6.12%	120	13,0	6,0	9,0	1,162	1,083	0.26%	93.20%
2019	1,122	25,631,745.00	22,844.69	-1.56%	106	13,0	14,0	9,0	1,159	1,076	3.76%	92.84%
2018	1,112	25,806,808.00	23,207.56	5.81%	107	11,0	13,0	9,0	1,117	1,029	-1.06%	92.12%
2017	1,129	24,762,687.00	21,933.29	7.52%	117	12,0	7,0	9,0	1,129	1,045	-1.31%	92.56%
2016	1,158	23,621,878.00	20,398.86	3.64%	117	12,0	7,0	9,0	1,144	1,067	-1.55%	93.27%
2015	1,160	22,830,892.00	19,681.80	10.52%	116	12,0	15,0	8,0	1,162	1,078	13.04%	92.77%
2014	1,166	20,764,310.00	17,808.16	#REF!	116	12,0	15,0	8,0	1,028	954	-11.53%	92.80%

Sources: District records

**PAULSBORO SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

	<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>
DISTRICT BUILDING:										
<u>Elementary:</u>										
Billingsport (1923):										
Square Feet	39,863	39,863	39,863	39,863	39,863	39,863	39,863	39,863	39,863	39,863
Capacity (students)	390	390	390	390	390	390	390	390	390	390
Enrollment	331	328	302	360	370	343	343	369	330	333
Loudenslager (1926):										
Square Feet	39,244	39,244	39,244	39,244	44,510	44,510	44,510	44,510	44,510	44,510
Capacity (students)	367	367	367	367	367	367	367	367	367	367
Enrollment	356	355	351	322	325	270	270	282	305	315
<u>Middle School:</u>										
Junior High School:										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	195	169	127	143	162	180	180	149	150	N/A
<u>High School:</u>										
Paulsboro High School (1916):										
Square Feet	140,863	140,863	140,863	140,863	140,863	140,863	140,863	140,863	140,863	140,863
Capacity (students)	717	717	717	717	717	717	717	717	717	717
Enrollment	404	367	348	259	317	319	336	323	366	510
Other Buildings										
Central Administration (1920):										
Square Feet	7551	7551	7551	7,551	7,551	7,551	7,551	7,551	7,551	7,551

Number of Schools at June 30, 2023:

- Elementary = 2
- Junior High School = 1
- High School = 1
- Other = 1

Source: District Records

**PAULSBORO SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED**

<u>School Facilities</u>	<u>PROJECT # (s)</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>
High School	N/A	176,191.79	281,500.18	214,197.08	265,193.00	186,915.00	198,114.00	159,793.00	153,631.00	173,753.00	145,462.00
Bilingsport	N/A	52,313.61	87,593.37	52,134.06	40,067.67	26,733.00	45,500.00	35,021.00	41,714.00	41,484.00	36,712.00
Loudenslager	N/A	<u>123,054.21</u>	<u>116,749.69</u>	<u>54,515.54</u>	<u>64,120.37</u>	<u>30,757.00</u>	<u>51,830.00</u>	<u>39,636.00</u>	<u>82,998.00</u>	<u>68,345.00</u>	<u>40,266.00</u>
Total School Facilities		<u>351,559.61</u>	<u>485,843.24</u>	<u>320,846.68</u>	<u>369,381.04</u>	<u>244,405.00</u>	<u>295,444.00</u>	<u>234,450.00</u>	<u>278,343.00</u>	<u>283,582.00</u>	<u>222,440.00</u>

Source: District Records

**PAULSBORO SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED**

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
SCHOOL PACKAGE POLICY (1):		
General and Automobile Liability	\$ 5,000,000.00	
Property and Automobile Physical Damage	500,000,000.00	\$ 2,500.00
Boiler and Machinery	100,000,000.00	2,500.00
Environmental Impairment Liability	1,000,000.00	5,000.00
Excess Liability	15,000,000.00	10,000.00
School Leaders Professional Liability	5,000,000.00	10,000.00
Employer's Liability	5,000,000.00	
Workers' Compensation	Statutory	
 Student Accident Liability (2)	 6,000,000.00	
 Surety Bonds (3):		
Treasurer	215,000.00	
Board Secretary	222,000.00	

- (1) School Alliance Insurance Fund
- (2) Zurich American Insurance Company
- (3) Selective Insurance Company of America

Source: District Records

SINGLE AUDIT SECTION



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Exhibit K-1

INDEPENDENT AUDITORS' 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

To the Honorable President and
Members of the Board of Education
Paulsboro School District
Paulsboro, New Jersey 08066

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Paulsboro School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Paulsboro School District's basic financial statements, and have issued our report thereon dated January 15, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Paulsboro 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 Paulsboro School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Paulsboro 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying *Schedule of Findings and Questioned Costs and Independent Auditor's Management*

Report on Administrative Findings - Financial, Compliance and Performance as Findings No. 2023-001 and 2023-002 to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Paulsboro 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 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, and which are described in the accompanying *Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* as Findings No. 2023-001 and 2023-002.

The Paulsboro School District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Paulsboro School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Paulsboro School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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,



Buckno Lisicky & Company
Certified Public Accountants & Consultants



Chris Betley
Certified Public Accountant
Public School Accountant No. 20CS00261700

Allentown, Pennsylvania
January 15, 2024



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Exhibit K-2

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

To the Honorable President and
Members of the Board of Education
Paulsboro School District
Paulsboro, New Jersey 08066

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Paulsboro School District's 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 Paulsboro School District's major federal and state programs for the year ended June 30, 2023. Paulsboro School District's major federal and state programs are identified in the *Summary of Auditors' Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and 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 and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Paulsboro 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 program. Our audit does not provide a legal determination of Paulsboro 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 Paulsboro School District's federal and state programs.

Auditors' 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 Paulsboro School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and 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 judgment made by a reasonable user of the report on compliance about Paulsboro School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 Paulsboro 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 Paulsboro 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 Paulsboro School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with New Jersey Circular 15-08-OMB and are described in the accompanying *Schedule of Findings and Questioned Costs* as Finding No 2022-03. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Paulsboro School District's response to the noncompliance findings identified in our compliance audit described in the accompanying *Schedule of Findings and Questioned Costs*. Paulsboro School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 a 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 Auditors' 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,



Buckno Lisicky & Company
Certified Public Accountants & Consultants



Chris Betley
Certified Public Accountant
Public School Accountant No. 20CS00261700

Allentown, Pennsylvania
January 15, 2024

PAULSBORO SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - SCHEDULE A
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL ASSISTANCE LISTING NUMBER	ADDITIONAL AWARD IDENTIFICATION	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	FINAL PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CASH RECEIVED	ADJUSTMENTS (A)	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2023				
												UNEARNED REVENUE	ACCOUNTS RECEIVABLE	DUE TO GRANTOR		
General Fund:																
U.S. Department of Health and Human Services																
Passed Through New Jersey Department of Human Services:																
Medical Assistance Program (SEMI)	93.778	N/A	2005NJ5MAP	Unavailable	\$ 96,464.85	7/1/22-6/30/23	\$ -	\$ 96,464.85	\$ -	\$ (96,464.85)	\$ -	\$ -	\$ -	\$ -		
Medical Assistance Program (SEMI) - FFCRA	93.778	COVID-19	2005NJ5MAP	Unavailable	9,124.56	7/1/22-6/30/23	-	9,124.56	-	(9,124.56)	-	-	-	-		
							-	105,589.41	-	(105,589.41)	-	-	-	-		
Total General Fund							-	105,589.41	-	(105,589.41)	-	-	-	-		
Enterprise Fund:																
U.S. Department of Agriculture																
Passed Through New Jersey Department of Agriculture:																
Child Nutrition Cluster:																
National School Lunch Program	10.555	N/A	203NJ304N1099	Unavailable	591,861.29	7/1/22-6/30/23	-	499,340.74	-	(591,861.29)	-	-	(92,520.55)	-		
National School Lunch Program - Supply Chain Assis	10.555	COVID-19	203NJ304N1099	Unavailable	67,697.34	7/1/22-6/30/23	-	67,697.34	-	(67,697.34)	-	-	-	-		
Food Distribution Program (Non-Cash Assistance)	10.555	N/A	203NJ304N1099	Unavailable	108,532.70	7/1/22-6/30/23	-	108,532.70	-	(108,532.70)	-	-	-	-		
							-	675,570.78	-	(768,091.33)	-	-	(92,520.55)	-		
National School Breakfast Program	10.553	N/A	231NJ304N1199	Unavailable	233,085.66	7/1/22-6/30/23	-	197,387.76	-	(233,085.66)	-	-	(35,697.90)	-		
							-	197,387.76	-	(233,085.66)	-	-	(35,697.90)	-		
Summer Food Service Program (SFSP)	10.559	N/A	211NJ304N1099	Unavailable	898,956.27	7/1/21-8/30/22	(39,601.98)	55,339.00	-	(15,737.04)	-	-	-	-		
							(39,601.98)	55,339.00	-	(15,737.04)	-	-	-	-		
Total Child Nutrition Cluster							(39,601.98)	928,297.54	-	(1,016,914.03)	-	-	(128,218.45)	-		
Total Enterprise Fund							(39,601.98)	928,297.54	-	(1,016,914.03)	-	-	(128,218.45)	-		
Special Revenue Fund:																
U.S. Department of Education																
Passed Through New Jersey Department of Education:																
Elementary and Secondary Education Act:																
Title I - Grants to Local Education Agencies	84.010	N/A	S010A200030	ESEA402022	865,605.00	7/1/21-9/30/22	1,768.65	-	-	(1,768.65)	-	-	-	-		
Title I - Grants to Local Education Agencies	84.010	N/A	S010A200030	ESEA402023	696,708.00	7/1/22-9/30/23	-	860,558.00	-	(669,412.91)	-	191,145.09	-	-		
							1,768.65	860,558.00	-	(671,181.56)	-	191,145.09	-	-		
Title IA - SIA - School Improvement	84.010	N/A	S010A200030	ESEA402022	20,480.00	7/1/21-9/30/22	(4,500.00)	4,500.00	-	-	-	-	-	-		
Title IA - SIA - School Improvement	84.010	N/A	S010A200030	ESEA402023	123,008.00	7/1/22-9/30/23	-	39,350.00	-	(43,100.00)	-	-	(3,750.00)	-		
							(4,500.00)	43,850.00	-	(43,100.00)	-	-	(3,750.00)	-		
Total Elementary and Secondary Education Act							(2,731.35)	904,408.00	-	(714,281.56)	-	191,145.09	(3,750.00)	-		
Title II - Supporting Effective Instruction State Grants	84.367	N/A	S367A200029	ESEA402022	36,301.00	7/1/21-9/30/22	(5,073.94)	5,074.00	(0.06)	-	-	-	-	-		
Title II - Supporting Effective Instruction State Grants	84.367	N/A	S367A200029	ESEA402023	82,017.00	7/1/22-9/30/23	-	57,983.00	-	(68,410.40)	-	-	(10,427.40)	-		
							(5,073.94)	63,057.00	(0.06)	(68,410.40)	-	-	(10,427.40)	-		
Title IV - Student Support and Academic Enrichment	84.424	N/A	S424A200031	ESEA402022	80,127.00	7/1/21-9/30/22	(53,078.00)	53,078.00	-	-	-	-	-	-		
Title IV - Student Support and Academic Enrichment	84.424	N/A	S424A200031	ESEA402023	108,709.00	7/1/22-9/30/23	-	57,486.00	-	(76,041.81)	-	-	(18,555.81)	-		
							(53,078.00)	110,564.00	-	(76,041.81)	-	-	(18,555.81)	-		
Education Stabilization Fund:																
Coronavirus Aid, Relief, and Economic Security Act (CARES Act):																
ESSER I	84.425	84.425D, COVID-19	S425D200027	100-034-5120-513	780,755.00	3/13/20-9/30/22	(42,040.94)	114,502.00	-	(25,935.00)	-	46,526.06	-	-		
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA):																
ESSER II	84.425	84.425D, COVID-19	S425D210027	100-034-5120-518	2,779,113.00	3/13/20-9/30/23	(1,065,038.14)	2,219,247.00	-	(1,177,749.99)	-	-	(23,541.13)	-		
Learning Acceleration	84.425	84.425D, COVID-19	S425D210027	100-034-5120-518	178,349.00	3/13/20-9/30/23	(114,565.90)	131,159.00	-	(21,960.36)	-	-	(5,367.26)	-		
Mental Health	84.425	84.425D, COVID-19	S425D210027	100-034-5120-518	45,000.00	3/13/20-9/30/23	(15,276.30)	15,276.00	0.30	(27,374.00)	-	-	(27,374.00)	-		
American Rescue Plan Act (ARP)																
ARP ESSER	84.425	84.425U, COVID-19	S425U210027	Unavailable	6,245,877.00	3/13/20-9/30/2024	(368,387.84)	1,362,535.00	-	(4,288,134.22)	-	-	(3,293,987.06)	-		
Accelerated Learning Coach and Educator Support	84.425	84.425U, COVID-19	S425U210027	Unavailable	109,567.00	3/13/20-9/30/2024	(21,528.62)	25,429.00	-	(8,060.00)	-	-	(4,159.62)	-		
Evidence Based Summer Learning and Enrichment	84.425	84.425U, COVID-19	S425U210027	Unavailable	40,000.00	3/13/20-9/30/2024	-	15,768.00	-	(21,916.49)	-	-	(6,148.49)	-		
Evident Based Comprehensive Beyond the School Day	84.425	84.425U, COVID-19	S425U210027	Unavailable	40,000.00	3/13/20-9/30/2024	-	10,768.00	-	-	-	10,768.00	-	-		
NJSSS Mental Health Supporting Staff	84.425	84.425U, COVID-19	S425U210027	Unavailable	88,501.00	3/13/20-9/30/2024	(3,200.00)	4,000.00	-	(3,775.00)	-	-	(2,975.00)	-		
Homeless Children & Youth	84.425	84.425W, COVID-19	S425W210031	Unavailable	51,942.00	4/23/21-9/30/2024	-	3,000.00	-	(16,645.34)	-	-	(13,645.34)	-		
							(1,630,037.74)	3,901,684.00	0.30	(5,591,550.40)	-	57,294.06	(3,377,197.90)	-		
Coronavirus Relief Fund:																
Coronavirus Relief Fund	21.019	COVID-19	SLT0228	Unavailable	138,681.00	8/26/20-12/30/20	-	29,946.60	-	-	-	-	-	29,946.60		
Nonpublic Digital Divide	21.019	COVID-19	SLT0228	Unavailable	5,046.00	7/16/20-10/31/20	-	(300.00)	-	-	-	-	(300.00)	-		
							29,646.60	-	-	-	-	-	(300.00)	29,946.60		
Individuals with Disabilities Act (IDEA):																
Special Education Cluster:																
Special Education Grants to States	84.027	N/A	H027A190100	FT402022	351,937.00	7/1/21-9/30/22	(169,564.00)	169,564.00	-	-	-	-	-	-		
Special Education Grants to States	84.027	N/A	H027A190100	FT402023	382,234.00	7/1/22-9/30/23	-	301,756.00	-	(350,236.11)	-	-	(48,482.11)	-		
IDEA Basic	84.027	84.027X, ARP	H027X210100	S425D200027	62,386.00	7/1/21-9/30/22	-	-	-	(57,389.00)	-	-	(57,389.00)	-		
							(169,564.00)	471,320.00	-	(407,607.11)	-	-	(105,851.11)	-		
Special Education Preschool Grants	84.173	N/A	H173A200114	PS402022	15,360.00	7/1/21-9/30/22	(839.89)	840.00	(0.11)	-	-	-	-	-		
Special Education Preschool Grants	84.173	N/A	H173A200114	PS402022	20,043.00	7/1/22-9/30/23	-	4,668.00	(0.71)	(4,667.29)	-	-	-	-		
IDEA Preschool	84.173	84.173X, ARP	H173X210114	S425D200027	5,200.00	7/1/21-9/30/22	(1,932.26)	1,932.00	0.26	(179.34)	-	-	(179.34)	-		
							(2,772.19)	7,440.00	(0.56)	(4,846.63)	-	-	(179.34)	-		
Total Special Education Cluster							(172,336.15)	478,760.00	(0.56)	(412,453.74)	-	-	(106,030.45)	-		
COPS Office School Violence Prevention Program (S	16.71	N/A	15JCOPS-21-GG-03648-SSIX	N/A	330,454.00	10/1/21-9/30/24	-	120,473.75	-	(105,596.50)	-	14,877.25	-	-		
Total Special Revenue Fund							(1,833,610.58)	5,578,946.75	(0.32)	(6,968,334.41)	-	263,316.40	(3,516,261.56)	29,946.60		
Total Federal Assistance							\$ (1,873,212.54)	\$ 6,612,833.70	\$ (0.32)	\$ (8,090,837.85)	\$ -	\$ 263,316.40	\$ (3,644,480.01)	\$ 29,946.60		

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

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

STATE GRANTOR / PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE, JUNE 30, 2023		BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENTS	BALANCE, JUNE 30, 2023			MEMO		
				BALANCE, JUNE 30, 2022	CASH RECEIVED				UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE JUNE 30, 2023	CUMULATIVE EXPENDITURES	
General Fund:														
New Jersey Department of Education:														
State Aid Public:														
Equalization Aid	495-034-5120-078	\$ 13,377,689.00	7/1/22-6/30/22	\$ (1,284,635.19)	\$ 1,284,635.19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equalization Aid	495-034-5120-078	14,991,965.00	7/1/22-6/30/23	-	13,555,946.47	(14,991,965.00)	-	-	-	(1,436,018.53)	-	(1,436,018.53)	14,991,965.00	
Categorical Aid Special Education Aid	495-034-5120-089	715,226.00	7/1/21-6/30/22	(68,681.85)	-	68,681.85	-	-	-	-	-	-	-	
Categorical Aid Special Education Aid	495-034-5120-089	715,226.00	7/1/22-6/30/23	-	648,717.45	(715,226.00)	-	-	-	(68,508.55)	-	(68,508.55)	715,226.00	
Categorical Aid Security Aid	495-034-5120-084	498,216.00	7/1/21-6/30/22	(47,842.78)	47,842.78	-	-	-	-	-	-	-	-	
Categorical Aid Security Aid	495-034-5120-084	498,216.00	7/1/22-6/30/23	-	450,493.94	(498,216.00)	-	-	-	(47,722.06)	-	(47,722.06)	498,216.00	
School Choice Aid	495-034-5120-068	23,560.00	7/1/21-6/30/22	(2,262.42)	2,262.42	-	-	-	-	-	-	-	-	
School Choice Aid	495-034-5120-068	22,285.00	7/1/22-6/30/23	-	20,150.41	(22,285.00)	-	-	-	(2,134.59)	-	(2,134.59)	22,285.00	
Maintenance of Equity Aid	495-034-5120-128	309,100.00	7/1/22-6/30/23	-	309,100.00	(309,100.00)	-	-	-	-	-	-	309,100.00	
Total State Aid - Public Cluster				(1,403,422.24)	16,385,830.51	(16,536,792.00)	-	-	-	(1,554,383.73)	-	(1,554,383.73)	16,536,792.00	
Transportation Aid:														
Categorical Transportation Aid	495-034-5120-014	179,476.00	7/1/21-6/30/22	(17,243.75)	17,243.75	-	-	-	-	-	-	-	-	
Categorical Transportation Aid	495-034-5120-014	179,476.00	7/1/22-6/30/23	-	162,284.73	(179,476.00)	-	-	-	(17,191.27)	-	(17,183.79)	179,476.00	
				(17,243.75)	179,528.48	(179,476.00)	-	-	-	(17,191.27)	-	(17,183.79)	179,476.00	
Extraordinary Aid														
Extraordinary Aid	495-034-5094-045	373,053.00	7/1/21-6/30/22	(373,053.00)	373,053.00	-	-	-	-	-	-	-	-	
Extraordinary Aid	495-034-5094-045	612,810.00	7/1/22-6/30/23	-	-	(612,810.00)	-	-	-	(612,810.00)	-	-	612,810.00	
				(373,053.00)	373,053.00	(612,810.00)	-	-	-	(612,810.00)	-	-	612,810.00	
Reimbursed TPAF Social Security Contributions														
Reimbursed TPAF Social Security Contributions	495-034-5094-003	655,415.16	7/1/21-6/30/22	(4,309.94)	4,309.94	-	-	-	-	-	-	-	-	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	712,402.42	7/1/22-6/30/23	-	708,152.70	(712,402.42)	-	-	-	(4,249.72)	-	-	712,402.42	
				(4,309.94)	712,462.64	(712,402.42)	-	-	-	(4,249.72)	-	-	712,402.42	
On-Behalf T.P.A.F. Pension Contributions - Post Retirement														
Medical (non-budgeted)	495-034-5094-001	851,129.00	7/1/22-6/30/23	-	851,129.00	(851,129.00)	-	-	-	-	-	-	851,129.00	
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	495-034-5094-002	3,195,620.00	7/1/22-6/30/23	-	3,195,620.00	(3,195,620.00)	-	-	-	-	-	-	3,195,620.00	
On-Behalf T.P.A.F. Non-contributory Insurance	495-034-5094-004	44,336.00	7/1/22-6/30/23	-	44,336.00	(44,336.00)	-	-	-	-	-	-	44,336.00	
On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted)	495-034-5094-004	1,388.00	7/1/22-6/30/23	-	1,388.00	(1,388.00)	-	-	-	-	-	-	1,388.00	
				-	4,092,473.00	(4,092,473.00)	-	-	-	-	-	-	4,092,473.00	
Homeless Tuition Reimbursement Aid														
Homeless Tuition Reimbursement Aid	495-034-5120-005	54,481.00	7/1/21-6/30/22	(54,481.00)	54,481.00	-	-	-	-	-	-	-	-	
Homeless Tuition Reimbursement Aid	495-034-5120-005	2,338.00	7/1/22-6/30/23	-	-	(2,338.00)	-	-	-	(2,338.00)	-	-	37,390.00	
				(54,481.00)	54,481.00	(2,338.00)	-	-	-	(2,338.00)	-	-	37,390.00	
Total General Fund				(1,852,509.93)	21,797,828.63	(22,136,291.42)	-	-	-	(2,190,972.72)	-	(1,571,567.52)	22,171,343.42	
Special Revenue Fund:														
New Jersey Department of Education:														
Nonpublic Aid:														
Nursing Services	100-034-5120-070	10,192.00	7/1/22-6/30/23	-	10,192.00	(10,192.00)	-	-	-	-	-	-	10,192.00	
Textbook Aid (Ch. 194, L, 1977)	100-034-5120-064	6,062.00	7/1/21-6/30/22	898.41	-	-	(898.41)	-	-	-	-	-	-	
Textbook Aid (Ch. 194, L, 1977)	100-034-5120-064	6,006.00	7/1/22-6/30/23	-	6,006.00	(4,222.63)	-	-	-	1,783.37	-	-	4,222.63	
Technology Initiative Aid	100-034-5120-373	4,242.00	7/1/21-6/30/22	24.79	-	-	(24.79)	-	-	-	-	-	-	
Technology Initiative Aid	100-034-5120-373	3,822.00	7/1/22-6/30/23	-	3,822.00	(3,821.09)	-	-	-	0.91	-	-	3,821.09	
Security	100-034-5120-510	18,655.00	7/1/22-6/30/23	-	18,655.00	(14,417.90)	-	-	-	4,237.10	-	-	14,417.90	
Auxiliary Services (Ch. 192, L, 1977)														
Home Instruction	100-034-5120-067	2,113.00	7/1/22-6/30/23	-	2,113.00	-	-	-	-	-	2,113.00	-	-	
Compensatory Education	100-034-5120-067	35,832.00	7/1/21-6/30/22	4,747.74	-	-	(4,747.74)	-	-	-	-	-	-	
Compensatory Education	100-034-5120-067	44,869.00	7/1/22-6/30/23	-	44,869.00	(29,649.00)	-	-	-	15,220.00	-	-	29,649.00	
English as a Second Language	100-034-5120-067	4,568.00	7/1/21-6/30/22	4,568.00	-	-	(4,568.00)	-	-	-	-	-	-	
English as a Second Language	100-034-5120-067	3,007.00	7/1/22-6/30/23	-	3,007.00	(3,007.00)	-	-	-	-	-	-	3,007.00	
Transportation	100-034-5120-067	4,515.00	7/1/21-6/30/22	3,084.45	-	-	(3,084.45)	-	-	-	-	-	-	
Transportation	100-034-5120-067	3,663.00	7/1/22-6/30/23	-	3,663.00	(3,663.00)	-	-	-	-	-	-	3,663.00	
Handicapped Services (Ch. 193, L, 1977)														
Corrective Speech	100-034-5120-066	10,137.00	7/1/21-6/30/22	930.00	-	-	(930.00)	-	-	-	-	-	-	
Corrective Speech	100-034-5120-066	12,741.00	7/1/22-6/30/23	-	12,741.00	(7,440.00)	-	-	-	5,301.00	-	-	7,440.00	
Examination and Classification	100-034-5120-066	22,568.00	7/1/21-6/30/22	10,244.81	-	-	(10,244.81)	-	-	-	-	-	-	
Examination and Classification	100-034-5120-066	18,582.00	7/1/22-6/30/23	-	18,582.00	(18,202.00)	-	-	-	380.00	-	-	18,202.00	
Supplementary Instruction	100-034-5120-066	18,172.00	7/1/21-6/30/22	9,994.60	-	-	(9,994.60)	-	-	-	-	-	-	
Supplementary Instruction	100-034-5120-066	11,564.00	7/1/22-6/30/23	-	11,564.00	(11,564.00)	-	-	-	-	-	-	11,564.00	
				34,492.80	135,214.00	(106,178.62)	(34,492.80)	-	-	-	29,035.38	-	106,178.62	

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

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

STATE GRANTOR / PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE, JUNE 30, 2023					MEMO				
				BALANCE, JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENTS	UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE JUNE 30, 2023	CUMULATIVE EXPENDITURES
Preschool Aid	495-034-5120-086	1,042,800.00	7/1/20-6/30/21	67,517.75	-	(67,517.75)	-	-	-	-	-	67,517.75	
Preschool Aid	495-034-5120-086	1,060,400.00	7/1/21-6/30/22	237,817.61	106,040.00	(343,857.61)	-	-	-	-	-	343,857.61	
Preschool Aid	495-034-5120-086	1,080,720.00	7/1/22-6/30/23	-	972,648.00	(654,079.38)	-	-	426,640.62	(108,072.00)	-	654,079.38	
				<u>305,335.36</u>	<u>1,078,688.00</u>	<u>(1,065,454.74)</u>	<u>-</u>	<u>-</u>	<u>426,640.62</u>	<u>(108,072.00)</u>	<u>-</u>	<u>1,065,454.74</u>	
Improving Literacy Achievement	Unavailable	20,000.00	7/1/13-6/30/14	(14,241.65)	-	-	-	-	-	(14,241.65)	-	-	
School Security Grant	Unavailable	62,581.00	7/1/20-6/30/22	-	52,856.00	-	-	(52,856.00)	-	-	-	-	
Total Special Revenue Fund				<u>325,586.51</u>	<u>1,266,758.00</u>	<u>(1,171,633.36)</u>	<u>(34,492.80)</u>	<u>(52,856.00)</u>	<u>426,640.62</u>	<u>(122,313.65)</u>	<u>29,035.38</u>	<u>-</u>	<u>1,171,633.36</u>
Capital Projects Fund:													
New Jersey Economic Development Authority:													
School Development Authority	4020-050-14-1001	2,689,435.00	6/2/15- Completion	(1,479,718.14)	996,109.94	-	-	-	-	(483,608.20)	-	2,555,492.14	
School Development Authority	4020-050-14-1002	520,153.00	6/2/15- Completion	(269,606.45)	-	-	-	-	-	(269,606.45)	-	477,667.65	
School Development Authority	4020-050-14-1003	1,781,882.00	6/2/15- Completion	(498,446.37)	-	-	-	-	-	(498,446.37)	-	1,211,199.17	
Total Capital Projects Fund				<u>(2,247,770.96)</u>	<u>996,109.94</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,251,661.02)</u>	<u>-</u>	<u>4,244,358.96</u>	
Enterprise Fund:													
State School Lunch Program	495-010-3550-001	15,026.34	7/1/21-6/30/22	(677.46)	677.46	-	-	-	-	-	-	-	
State School Lunch Program	495-010-3550-001	9,352.21	7/1/22-6/30/23	-	7,890.26	(9,352.21)	-	-	-	(1,461.95)	-	9,352.21	
State School Breakfast	495-010-3550-002	7,740.70	7/1/22-6/30/23	-	6,545.00	(7,740.70)	-	-	-	(1,195.70)	-	7,740.70	
Total Enterprise Fund				<u>(677.46)</u>	<u>15,112.72</u>	<u>(17,092.91)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,657.65)</u>	<u>-</u>	<u>17,092.91</u>	
Total State Financial Assistance				<u>(3,775,371.84)</u>	<u>24,075,809.29</u>	<u>(23,325,017.69)</u>	<u>(34,492.80)</u>	<u>(52,856.00)</u>	<u>426,640.62</u>	<u>(3,567,605.04)</u>	<u>29,035.38</u>	<u>(1,571,567.52)</u>	<u>27,604,428.65</u>
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 Education:													
On-Behalf Contributions:													
On-Behalf Contributions T.P.A.F. Pension Contributions - Post Retirement													
Medical (non-budgeted)	495-034-5094-001	715,537.00	7/1/22-6/30/23	-	851,129.00	851,129.00	-	-	-	-	-	851,129.00	
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	495-034-5094-002	2,240,625.00	7/1/22-6/30/23	-	3,195,620.00	3,195,620.00	-	-	-	-	-	3,195,620.00	
On-Behalf T.P.A.F. Non-contributory Insurance	495-034-5094-003	42,631.00	7/1/22-6/30/23	-	44,336.00	44,336.00	-	-	-	-	-	44,336.00	
On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted)	495-034-5094-004	1,161.00	7/1/22-6/30/23	-	1,388.00	1,388.00	-	-	-	-	-	1,388.00	
Total On-Behalf TPAF Pension Contributions (non-budgeted)				<u>-</u>	<u>4,092,473.00</u>	<u>4,092,473.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,092,473.00</u>	
Total State Financial Assistance Subject to Calculation for Major Program Determination				<u>\$ (3,775,371.84)</u>	<u>\$ 19,983,336.29</u>	<u>\$ (19,232,544.69)</u>	<u>\$ (34,492.80)</u>	<u>\$ (52,856.00)</u>	<u>\$ 426,640.62</u>	<u>\$ (3,567,605.04)</u>	<u>\$ 29,035.38</u>	<u>\$ (1,571,567.52)</u>	<u>\$ 23,511,955.65</u>

**Notes to Schedule of Expenditures of Federal and State Financial Assistance
Year Ended June 30, 2023****NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards and state financial assistance ("the Schedule") includes the federal and state award activity of Paulsboro School District. The School District is defined in note 1 to the School Districts basic financial statements. The information in these schedules is presented in accordance with 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 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 operation 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 exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting programs recorded in the enterprise fund are presented using 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 principals 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

Paulsboro School District has elected not to use the 10% 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, proprietary fund (enterprise fund – food service) and capital projects fund on a GAAP basis. Budgetary comparison statements of schedules (RSI) are presented for the general fund and the special revenue fund to demonstrate finance-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.

**Notes to Schedule of Expenditures of Federal and State Financial Assistance
Year Ended June 30, 2023**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$150,918.00 for the general 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.

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 105,589.41	\$ 21,985,373.42	\$ 22,090,962.83
Special Revenue Fund	6,968,334.41	1,171,633.36	8,139,967.77
Capital Projects Fund	-	-	-
Food Service Fund	<u>1,016,914.03</u>	<u>17,092.91</u>	<u>1,034,006.94</u>
GAAP Basis Revenues	8,090,837.85	23,174,099.69	31,264,937.54
GAAP Adjustments:			
State Aid Payments, net	<u>-</u>	<u>150,918.00</u>	<u>150,918.00</u>
Total Awards & Financial Assistance Expended	<u>\$ 8,090,837.85</u>	<u>\$ 23,325,017.69</u>	<u>\$ 31,415,855.54</u>

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. 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

**Notes to Schedule of Expenditures of Federal and State Financial Assistance
Year Ended June 30, 2023**

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 7. MAJOR PROGRAMS

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

**PAULSBORO SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued _____ Unmodified _____

Internal control over financial reporting:

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

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

Noncompliance material to financial statements noted? _____ yes _____ X _____ no

Federal Awards

Internal control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance)? _____ yes _____ X _____ no

Identification of major programs:

<u>FALN Number(s)</u>	<u>FALN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	_____
84.425D	S425D200027	Education Stabilization Funds: CARES and CRRSA
84.425U	S425U210027	American Rescue Plan (ARP)
84.425W	S425W210031	ARP - Homeless Children & Youth

Dollar threshold used to determine Type A programs \$ _____ 750,000.00 _____

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

Section II: 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.

Finding No. 2023-001

Criteria or Specific Requirement

As a function of effective internal controls, an accurate general ledger should be maintained and reconciled to subsidiary records in accordance with N.J.S.A. 18A:17-9.

Condition

The School District's general ledger was not properly maintained. Material adjustments were required to properly reflect the School District's financial position as of June 30, 2023.

Context

Our review of the accounting records revealed the following:

1. The general ledger was not reconciled to subsidiary records for various accounts.
2. Various transactions were not reported in the proper funds
3. Accounts receivable and accounts payable in all funds were not properly reconciled at year end

Effect or Potential Effect

That controls over the financial accounts may not be effective to reduce the likelihood that errors could occur and not be detected.

Cause

Control procedures are not in place to review the financial reports prior to closing.

Recommendation

That the School District reviews and implements internal controls to ensure the accuracy of all financial reports.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Section II: Schedule of Financial Statement Findings (Cont'd)

Finding No. 2023-002

Criteria or Specific Requirement

N.J.S.A. 18A: 17-9 requires that accurate monthly reconciliations of all bank accounts are prepared prior to the completion of the Board Secretary's monthly report.

Condition

Bank reconciliations for all funds were not prepared in accordance with N.J.S.A. 18A: 17-9 and several bank reconciliations were not prepared in a timely manner on a monthly basis.

Context

Formal bank reconciliations were not prepared by fiscal year-end for the warrant, current, capital projects, student activities and payroll agency accounts and balances did not agree to the general ledger.

Effect or Potential Effect

That controls over the financial accounts may not be effective to reduce the likelihood that errors could occur and not be detected.

Cause

Control procedures are not in place to review the financial reports prior to closing. In addition, during the fiscal year, the School District experienced turnover in the business office.

Recommendation

That the School District reviews and implements internal controls to ensure the accuracy of all financial reports and that formal monthly cash reconciliations for all School District funds be prepared on a timely basis.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2023****Section III: 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 findings to be reported.

Section IV: Schedule of State Financial Assistance Findings and Questioned Costs

Finding No. 2023-003

Information on the State Program

State Aid Public:

- Equalization Aid (GMIS No. 495-034-5120-078)
- Special Education Categorical Aid (GMIS No. 495-034-5120-089)
- Security Aid (GMIS No. 495-034-5120-084)
- School Choice Aid (GMIS No. 495-034-5120-068)
- Maintenance of Equity Aid (GMIS No. 495-034-5120-128)

Criteria or Specific Requirement

Special Tests and Provisions - The Board Secretary and Treasurer of School Moneys of a school district must prepare and submit financial reports in accordance with N.J.S.A. 18A:17-9 and N.J.S.A. 18A:17-36.

Condition

Not all required Board Secretary and Treasurer reports were prepared, reconciled and submitted by applicable due dates.

Questioned Costs

None.

Context

1. The Board Secretary and Treasurer reports were not prepared within 60 days after December.
2. The Board Secretary and Treasurer reports were not in agreement and did not agree with the financial records of the School District.
3. The Treasurer reports were not prepared in the statutory prescribed method.

Effect or Potential Effect

The School District did not fully comply with applicable statutes and regulations.

Cause

There was a change in personnel in the business office and there was an oversight by the responsible official.

Identification as a Repeat Finding

Prior Year Finding No. 2022-003

Recommendation

That the Board Secretary and Treasurer reports be in agreement and filed by the applicable due dates.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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**Finding No. 2022-001****Condition**

The School District's general ledger was not properly maintained. Material adjustments were required to properly reflect the School District's financial position as of June 30, 2022.

Current Status

This condition still exists. See Finding 2023-001.

Planned Corrective Action

The responsible officials will address the matter as part of their corrective action plan.

Finding No. 2022-002**Condition**

Bank reconciliations for various funds were not prepared in accordance with N.J.S.A. 18A: 17-9 and several bank reconciliations were not prepared in a timely manner on a monthly basis.

Current Status

This condition still exists. See Finding 2023-002.

Planned Corrective Action

The responsible officials will address the matter as part of their corrective action plan.

STATE FINANCIAL ASSISTANCE PROGRAMS**Finding No. 2022-003****Program**

State Aid Public:

- Equalization Aid (GMIS No. 495-034-5120-078)
- Special Education Categorical Aid (GMIS No. 495-034-5120-089)
- Security Aid (GMIS No. 495-034-5120-084)
- School Choice Aid (GMIS No. 495-034-5120-068)

Condition

Not all required Board Secretary and Treasurer reports were prepared, reconciled and submitted by applicable due dates.

Current Status

This condition still exists. See Finding 2023-003.

Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management

Planned Corrective Action

The responsible officials will address the matter as part of their corrective action plan.