

**SCHOOL DISTRICT
OF
CITY OF VENTNOR**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

City of Ventnor Board of Education

Ventnor, New Jersey

For the Fiscal Year Ended June 30, 2023

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

City of Ventnor Board of Education

Ventnor, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

City of Ventnor Board of Education

Finance Department

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OF THE VENTNOR SCHOOL DISTRICT
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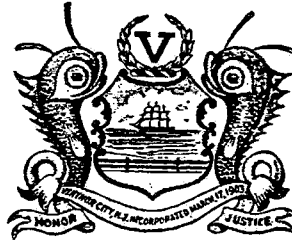
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INTRODUCTORY SECTION

Ventnor Educational Community Complex

Superintendent
DR. CARMELA SOMERSHOE
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Business Administrator/Board Secretary
TERRI NOWOTNY
(609) 487-7900 Ext 5130



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Ventnor City, New Jersey 08406
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December 6, 2023

Members of the Board of Education
City of Ventnor School District
County of Atlantic

Dear Board Members:

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

The Comprehensive Annual 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 the principal officials. The financial section includes the basic financial statements and schedules, management's discussion and analysis, 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 Single Audit Act of 1996 and the U.S. Office of Management and Budget Uniform Guidance and the New Jersey OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section report.

1) **REPORTING ENTITY AND ITS SERVICES:** The City of Ventnor School District is an independent reporting entity within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds of the District are included in this report. The City of Ventnor Board of Education and all its schools constitute the District's reporting entity.

The Ventnor City Public School District operates two schools located on the same land site known as the Ventnor Educational Community Complex. The Elementary School houses grades Pre-Kindergarten through grade four, with Pre-Kindergarten and Kindergarten housed in the Early Childhood Center. The Middle School houses grades five through eight. The district provides a full range of educational services appropriate to grade levels Pre-Kindergarten through eight. These programs include the following: a full-day three and four year old pre-school, full-day kindergarten, state of the art technology opportunities for all children, computer assisted research and services through the Media Center, complete Art and Music curricula, Basic Skills, Gifted and Talented, World Languages study in Spanish, Health and Physical Education including intramurals and interscholastic opportunities, Regular and Special Education Programs, and a variety of community and recreational programs. The district completed the 2022-2023 fiscal year with an enrollment of 501 students. The following details the changes in the student enrollment of the district over the last six years:

<u>Year</u>	<u>Enrollment</u>
2022 - 2023	501
2021 - 2022	554
2020 - 2021	600
2019 - 2020	635
2018 - 2019	669
2017 - 2018	665

2) **ECONOMIC CONDITION AND OUTLOOK:** The Ventnor City Public School District is located in a downbeach community whose children, in grades PK through eight, constitute the student population of the District. Ventnor is immediately adjacent to Atlantic City and Margate City, approximately 60 miles from Philadelphia. Ventnor's year round (resident) population is a mixed socio-economic group. Geographically, Ventnor is located on an island. It is 1.7 miles in length and approximately three quarters of a mile in width, comprising 2.1 square miles overall. Ventnor is bounded on the northeast by Atlantic City, on the Southwest by Margate City, on the southeast by the Atlantic Ocean, and the northwest by the centerline of the main channel in the Beach Thoroughfare.

A three-person Board of Commissioners, elected at large every four years, governs the city. They govern a city that is almost entirely residential, whose year round population of about 11,500 increases to approximately 28,000 during the summer months. There are various houses of worship, which reflect the diverse population of Ventnor City.

The over-all responsibility for the education of the PK-8 children lies with the District's Board of Education. The Board is a Type I Board of Education comprised of seven members, appointed by the Mayor for a term of three years. The New Jersey Department of Education classifies the Ventnor School District as District Factor B. The District Factor Group is based on socio-economic status.

The original school was built in 1970 with additions/renovations conducted in 1974, 1983, 1997, 2001 and 2010. In 2015, replacement of the emergency generator, boiler, gym HVAC and a section of the roof were completed.

Summer 2017 saw replacement of the last major section of roof and three HVAC units with additional HVAC replacements underway in 2018 through 2023. The City provided a \$9,315,017 bond which covered parking lot renovations, fire suppression and alarm upgrades, HVAC replacements, canopy panel replacements, repair of building leaks and HVAC replacements.

Upon promotion from grade eight at the Ventnor Complex, students attend Atlantic City High School through a sending-receiving relationship that has existed since the 1920's. The district paid tuition for 125 regular education and for 22 special education students to the high school during the 2022-23 school year at a tuition rate of \$19,088 and \$30,885 per student respectively. A number of additional resident students attend local parochial and public schools including Ocean City and Mainland Regional at both the elementary and high school levels.

A Board of School Estimate works closely with both city and school officials and is responsible for approving the district's budget annually. For the 2023-2024 school year, the district will operate with a budget of \$23,000,973. The district's management team consists of a superintendent/elementary principal, business administrator/board secretary, middle school principal, and supervisor of special education. The staff team employed by the district consists of 81 full or part-time certified instructional staff, 5 secretaries, 4 clerk typists, 21 full time support staff, and 14 part-time support personnel. The Child Study Team consists of a school social worker, a learning disabilities teacher consultant, a school psychologist, one full-time and one part-time speech therapist, and a part-time occupational therapist.

The Board of Education continues its efforts to increase curricular offerings to meet student needs. Among these offerings are improved math and science instruction delivery systems (STEM lab), up to date curricula (NJ Student Learning Standards), technology programs, language arts, world language programs, gifted and talented programs, and a county recognized music program. Other noteworthy program services to students include guidance services, after school homework club, accelerated reading programs, summer learning acceleration programs, peer mediation programs, character education programs, and ESL programs provided on a regular basis during the school year with participation based on student needs.

The school district's student population has consistently decreased in recent years showing its highest enrollment of 1150 students in the 2002-2003 school year. The Board of Education and the Board of School Estimate established a four-phase building program based on enrollment growth at that time. Phase I, completed in 1996, included the renovations of existing space into classrooms and Phase II included a 16,000 square foot addition of eight full-sized classrooms, four small group instruction classrooms, a computer lab, computer network infrastructure and a media center.

Phase III added 16 classrooms including the Early Childhood Center, a new gymnasium, reading room, child study team offices, board office area, music classrooms (instrumental and vocal), renovated kitchen/cafeteria and additional parking. Phase IV added air conditioning and a new roof and windows to the older sections of the building.

Ventnor City and its public school are richly diverse and multi-cultural. At the school site, the minority student population has increased from 9% in 1989 to 54.0% in October 2022. Our ESL (English as a Second Language) Program assists in supporting a complement of programs to meet the needs of all of our students.

MAJOR INITIATIVES: The Board of Education has endorsed many initiatives for the district. It continues its commitment to providing innovative opportunities to incorporate technology into the classroom setting and instruction. Students receive regular instruction in the use of technology. Grades k through 8 are 1-to-1 using Windows based laptops. Additional Interactive Flat Panel TVs were introduced to the Middle School & Elementary School staff. Internet access is available to all students and staff in the district through stand-alone and laptop computers. The district has updated all curricula and aligned them with the New Jersey Student Learning Standards.

During the 2021-2022 school year, the district continued its use of web-based tools. These tools encourage collaboration as well as greater access resources outside the district for staff and students. The district will maintain service contracts and replace legacy equipment. The district will work with vendors and e-rate funding reducing cost to the district. Additional security cameras continue to expand coverage throughout the building and outside. Legacy servers were removed from service transitioning to new servers or cloud based apps. Evaluation of cybersecurity and steps to reduce exposure. The district continues to be on the forefront of technology and exposure to latest educational resources.

2022-2023 Added additional Interactive flat panels in teaching classrooms. Moving additional IT services to the cloud. Incorporating new security measures for cloud access. Continue to replace legacy student & staff devices. We will be reviewing security within the district including procedures, upgrading cameras, purchasing new cameras or servers where warranted. Evaluation of new phone system to cloud to remove legacy in-house system was performed. Recommendations will proceed after evaluation.

4) **FOR THE FUTURE:** The school district is presently in good financial condition. Major concerns include the continued increases in unfunded mandated expenditures, reduced state aid and ending federal grants. The tax levy is the lowest it's reached in the past ten years which ensures greater control over the budget and benefits the taxpayers, but these restrictions result in fiscally conservative decisions that may curtail programmatic growth and capital improvements.

The Board of Education's goals continue to focus on high academic achievement. The Board provides a multi-cultural environment that promotes student growth and development of all our children. Our mission is to provide all students with quality education programs that will assist in preparing them for a fruitful and productive future.

Ventnor Public Schools will support mental health and social emotional learning through teacher professional development to ensure that all students will receive social and emotional support to become adaptable, confident citizens who embody self-awareness and strong interpersonal skills, and who are capable of responsible decision-making and managing their emotions and behaviors.

Ventnor Public schools will strengthen mathematics through the implementation of the revised NJSLs with district adoption of a K-8 program and job embedded coaching/professional development.

Ventnor Public schools will monitor student achievement through local benchmarks, web-based programs to address student needs, and promote student growth in all areas through teacher lead PLCs.

The district curricula review and revision supports the correlation to the New Jersey Student Learning Standards and the review is ongoing. The school district promotes character-building programs. "Character Counts" which stresses conduct of "Respect, Responsibility and Citizenship," Second Step, and Violence and Vandalism Awareness are among the programs offered in this area. A focus on mental health and social emotional learning will be further developed through training and implementation of the Nurtured Heart Approach and Trauma Informed Education. The district is fortunate to have an active HSA (Home School Association) that works to assist in funding student programs and activities.

The Ventnor City Public School is a community concerned and committed to providing a quality education that meets the needs of its students.

5) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principals (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

6) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimates of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

8) **DEBT ADMINISTRATION:** The District is a Type I district, which means that none of the debt is included on the books of the school district. Debt service is budgeted and paid by the City of Ventnor.

9) **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 1. 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.

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

11) **OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Accounting firm of Nightlinger, Colavita & Volpa, PA, was selected by the Board's Finance Committee. In addition to meeting the requirements set forth in the state statutes, the audit is designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular Letter 04-04. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the City of Ventnor School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Dr. Carmela Somershoe

Terri Nowotny

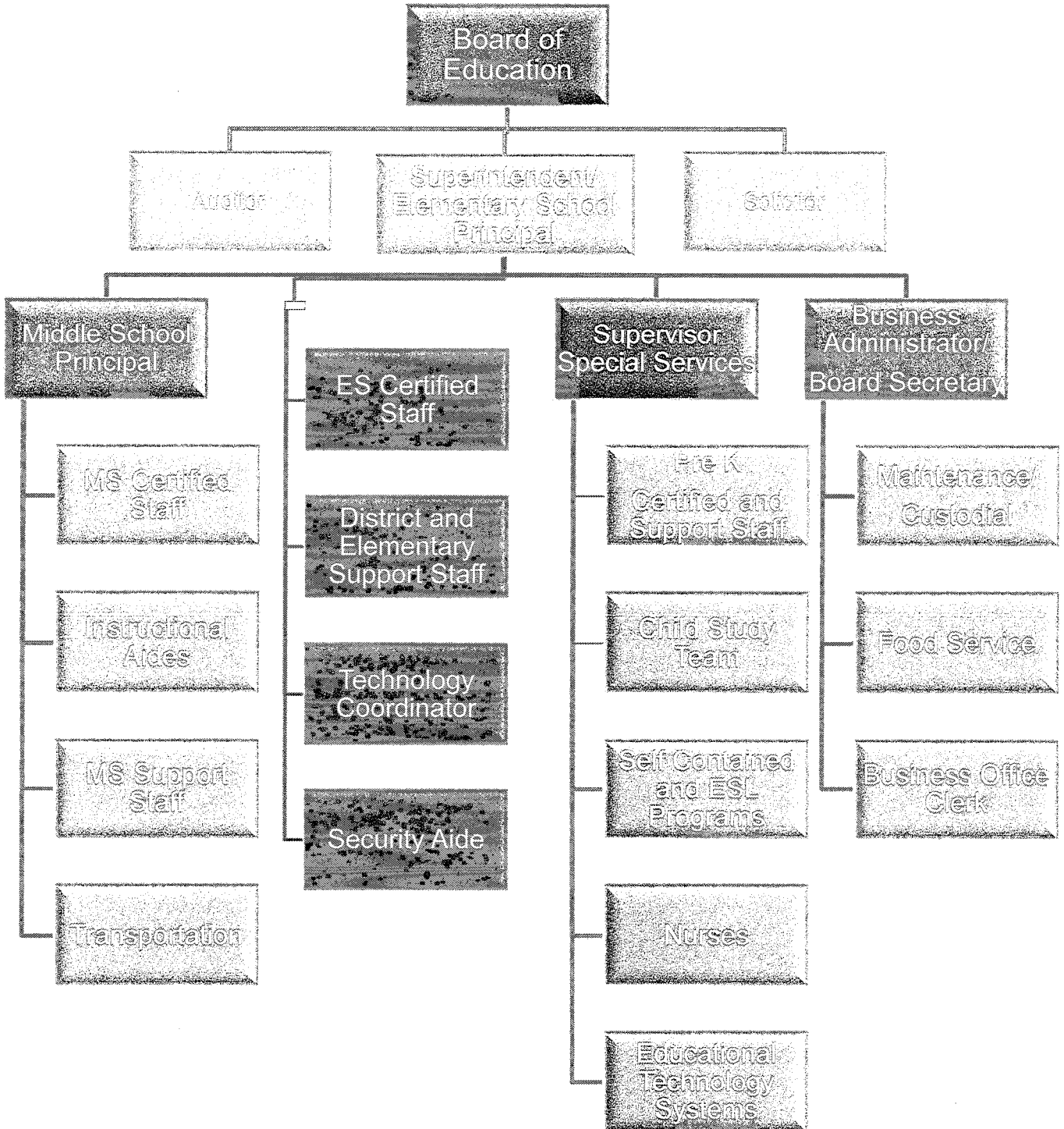
Dr. Carmela Somershoe
Superintendent

Terri Nowotny
Board Secretary/ Business Administrator

VENTNOR BOARD OF EDUCATION

Ventnor, New Jersey

Policy 2121 April 5, 2022



CITY OF VENTNOR BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2023

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Douglas Biagi, President	2024
Kimble Bassford, Vice President	2026
Lori Abbott	2025
Michael Advena	2026
John C. Baker, MD	2026
Michael J. Hagelgans	2024
James J. Quinlan	2025

<u>OTHER OFFICIALS</u>	<u>BOND AMOUNT</u>
Carmela Somershoe, Superintendent	\$ 250,000
Terri Nowotny, School Business Administrator / Board Secretary	\$ 250,000
Janet Franconeri, Treasurer	\$ 250,000
Adams, Gutierrez and Lattibourdere, Solicitors	

CITY OF VENTNOR BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

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FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Ventnor School District
County of Atlantic, New Jersey 08406

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey'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 Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey'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 Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey'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 and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 6, 2023 on our consideration of the Ventnor Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ventnor Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Ventnor School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant

No. 915

February 6, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Ventnor School District ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District's Governmental Activities increased by \$118,218. The increase was due to various revenues in excess of expenditures.
- The State of New Jersey reimbursed the District \$532,744 during the fiscal year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. Also, the State of New Jersey paid \$3,196,117 on behalf of the District for TPAF Pension and Disability Contributions. These amounts, which are not budgeted, are included as both a revenue and appropriation in the financial statements.
- As indicated by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to 2% of the total general fund expenditures. Any excess is required to be designated as Reserved Fund Balance - Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2023, the District had excess fund balance in the amount of \$4,038,889, of which \$1,691,412 has been included in the 2023-2024 budget and the remaining \$2,347,477 will be included in the 2024-2025 budget.
- During the fiscal year ended June 30, 2023, the District's general governmental fund revenues exceeded expenditures by \$1,885,594, net of the transfers to Charter Schools of \$412,833, transfer from Capital Projects Fund of \$339,520, and \$94,465 for inclusion in the Preschool Program. This was mainly a result of positive spending variances during the current year.
- In the District's business-type activities, net assets decreased by \$35,808 due to the costs of operation exceeding revenues, as compared to the prior year increase of \$177,557.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District's government, reporting on the District's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short- and long-term* financial information about the activities the District operates like businesses, such as the food service and after school program.
 - *Fiduciary fund* statements provide information about the financial relationships - like the unemployment trust fund - in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Major Features of City of Ventnor
Board of Education's Government-wide
and Fund Financial Statements
(Figure A-1)**

	Government wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and after school programs and student activities	Activities the District operates similar to private businesses; food service and after school programs	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required Financial Statements	Statement of net position Statement of changes in net position	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short term and long term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short- term and long-term.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.

Government-wide Statements

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

The two government-wide statements report the District's *net position* and how they have changed. Net position - the difference between the District's assets and liabilities - is one way to measure the District's financial health, or *position*.

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

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* - most of the District's basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* - the District charges fees to customers to help it cover the costs of certain services it provides. The District's food program and after school program are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* - not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* - Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* - Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Fiduciary funds* - The District is the trustee, or *fiduciary*, for other assets that - because of a trust arrangement - can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position: The District's governmental activities net position decreased \$1,089,506 between fiscal years 2022 and 2023. The business-type activities net assets decreased \$177,557 due to operating costs in excess of revenue.

Table 1

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and Other Assets	\$ 8,316,675	\$ 6,097,741	\$ 243,379	\$ 275,217	\$ 8,560,054	\$ 6,372,958
Capital Assets	22,335,293	24,100,367	20,816	24,112	22,356,109	24,124,479
Deferred Outflows	542,345	557,075			542,345	557,075
Total Assets	31,194,313	30,755,183	264,195	299,329	31,458,508	31,054,512
LIABILITIES						
Long-term Liabilities	2,716,924	2,176,040			2,716,924	2,176,040
Other Liabilities	1,162,716	477,266	3,247	2,573	1,165,963	479,839
Deferred Inflows	553,255	1,458,677			553,255	1,458,677
Total Liabilities	4,432,895	4,111,983	3,247	2,573	4,436,142	4,114,556
NET POSITION						
Invested in Capital Assets	22,335,293	24,100,367	20,816	24,112	22,356,109	24,124,479
Restricted	6,315,149	4,903,937			6,315,149	4,903,937
Unrestricted	(1,889,024)	(2,361,104)	240,132	272,644	(1,648,892)	(2,088,460)
Total Net Position	\$ 26,761,418	\$ 26,643,200	\$ 260,948	\$ 296,756	\$ 27,022,366	\$ 26,939,956

Changes in net position of Governmental Activities. The increase in net position of \$118,218 included a transfers to the Charter School of \$412,833.

The local tax levy of \$16,622,500 is 93% of total net governmental activity revenues of \$17,788,491. The municipality levies this tax on properties located in the City and remits the collections on a monthly basis to the District.

Approximately 7% of the District's revenue comes from the State of New Jersey in the form of non-restricted state aid. This aid is based on the District's enrollment as well as other factors such as legislative funding of the SFRA formula. The District expenses are primarily related to instruction, administration, and plant operations. Governmental Activity revenue, net of the charter school transfer of \$412,833 are as follows:

Table 2

	2023	2023	2022	2022
	Amount	Percentage	Amount	Percentage
Property Taxes	\$ 16,622,500	78.58%	\$ 16,782,698	80.91%
Federal and State Aid	1,285,322	6.08%	1,660,473	8.00%
Transportation	400,988	1.90%	292,422	1.41%
Tuition	16,079	0.08%	159,569	0.77%
Miscellaneous	293,502	1.39%	130,046	0.63%
Operating Grants & Contributions	2,535,883	11.99%	1,717,962	8.28%
	\$ 21,154,274	100.00%	\$ 20,743,170	100.00%

Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2023 and 2022 fiscal years.

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program Revenues						
Charges for Services	\$ 417,067	\$ 471,307	\$ 93,164	\$ 72,054	\$ 510,231	\$ 543,361
Federal and State Grants	2,535,883	1,717,962	238,007	525,333	2,773,890	2,243,295
General Revenues						
Property Taxes	16,622,500	16,782,698			16,622,500	16,782,698
State Aid Entitlements						
Miscellaneous	1,578,824	1,771,203			1,578,824	1,771,203
Total Revenues	<u>21,154,274</u>	<u>23,780,029</u>	<u>331,171</u>	<u>597,387</u>	<u>21,485,445</u>	<u>21,340,557</u>
EXPENSES						
Instruction:						
Regular	7,654,925	7,555,041			7,654,925	7,555,041
Special Education	1,509,650	1,590,731			1,509,650	1,590,731
Other Special Instruction	586,523	606,276			586,523	606,276
Other Instruction	87,792	83,083			87,792	83,083
Support Services:						
Instruction - Tuition	3,882,183	5,296,371			3,882,183	5,296,371
Student & Instruction Related Services	2,704,772	2,213,708			2,704,772	2,213,708
General Administrative	461,948	508,055			461,948	508,055
School Administrative	396,588	393,022			396,588	393,022
Business and Other Support Services	417,285	459,468			417,285	459,468
Plant Operations and Maintenance	1,646,445	1,669,028			1,646,445	1,669,028
Student Transportation	1,233,938	1,158,317			1,233,938	1,158,317
Interest Expense	41,174	41,174			41,174	41,174
Other						
Business-type Activities			366,979	419,830	366,979	419,830
Total Expenses	<u>20,623,223</u>	<u>21,574,274</u>	<u>366,979</u>	<u>419,830</u>	<u>20,990,202</u>	<u>21,994,104</u>
Excess (Deficiency) before:	531,051	(304,357)	(35,808)	177,557	495,243	(653,547)
Prior Period Adjustment		28,507				
Transfer to Charter School	(412,833)	(132,991)			(412,833)	(258,402)
Increase (Decrease) in Net Position	<u>\$ 118,218</u>	<u>\$ (408,841)</u>	<u>\$ (35,808)</u>	<u>\$ 177,557</u>	<u>\$ 82,410</u>	<u>\$ (911,949)</u>

Business-type Activities

Net Position in the Enterprise Funds decreased by \$35,808 due to an excess of expenditures over revenues in the Food Service Fund of \$45,053 and an excess in revenues over expenditures in the After School Program of \$9,245.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of \$7,153,959, which is \$1,533,484 more than at the beginning of the year, excluding the activity in the Capital Projects Fund. This is mainly the result of spending within the operating budget.

General Fund Budgetary Highlights

As further explained in the notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office and, as a Type I School District, are approved by the Board of School Estimates annually. Transfers of appropriations that do not exceed 10% on a cumulative basis may be made by Board resolution at any time during the fiscal year. Transfers of appropriations that exceed 10% on a cumulative basis must be approved by the Commissioner of Education. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf TPAF Pension Contributions of \$3,728,861, which are not budgeted, the District's actual revenue was more than the budget by \$915,603 This is the result of miscellaneous revenue, maintenance of equity aid, supplemental stabilization aid and extraordinary aid. With regard to expenditures, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf TPAF Pension Contributions, actual expenditures were \$2,079,478 less than the budgeted appropriations. This is result of lower tuition, transportation, and maintenance costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the District had invested over \$22,356,109, net of depreciation, in a broad range of capital assets, including land, buildings and equipment. Refer to Note 4 for more detailed information.

	Activities		Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 107,500	107,500			107,500	107,500
Construction in progress	290,465	215,080			290,465	215,080
Buildings and Improvements	21,773,563	23,631,791			21,773,563	23,631,791
Equipment	163,765	145,996	20,816	24,112	184,581	170,108
Total	\$ 22,335,293	24,100,367	20,816	24,112	22,356,109	24,124,479

Fixed Assets decreased by \$1,768,370 and was made up of \$145,847 in additions, offset by depreciation of \$1,914,217.

Long-term Obligations

The District's long-term obligations consisted of Compensated Absences and Net Pension Liability. The District is Type I and all other school debt is held by the City of Ventnor.

Table 5

	Balance June 30, 2022	Issued	Retired/ Adjusted	Balance June 30, 2023
Compensated Absences Payable	\$ 257,502	\$ -	\$ (7,560)	\$ 249,942
Net Pension Liability	1,918,538	548,444	-	2,466,982
Total	\$ 2,176,040	\$ 548,444	\$ (7,560)	\$ 2,716,924

On July 12, 2018, the City of Ventnor adopted a School Bond Ordinance in the amount of \$9,315,071 for the purpose of funding general capital improvements and acquisition of various equipment for the City's schools. The expenditures against this Bond Ordinance are shown on Exhibit F-1, which shows no remaining unspent balance. In addition, there is no unspent balance in the Window and Roof

More detailed information about the District's long-term debt is presented in Note 5 to the financial statements and Exhibit J-13.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at 400 N. Lafayette Avenue, Ventnor, New Jersey 08406.

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 6,208,215	\$ 231,969	\$ 6,440,184
Receivables, Net	2,108,460	8,479	2,116,939
Restricted Assets:			
Inventory		2,931	2,931
Capital Assets, Net (Note 5):	22,335,293	20,816	22,356,109
Total Assets	30,651,968	264,195	30,916,163
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	542,345		542,345
	542,345		542,345
 LIABILITIES			
Accounts Payable	342,894		342,894
Unearned Revenue	819,822	3,247	823,069
Non-current Liabilities (Note 6):			
Due Within One Year	34,044		34,044
Due Beyond One Year	2,682,880		2,682,880
Total Liabilities	3,879,640	3,247	3,882,887
 DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows	553,255		553,255
	553,255		553,255
 NET ASSETS			
Invested in Capital Assets, Net of Related Debt	22,335,293	20,816	22,356,109
Restricted for:			
Capital Reserve	995,492		995,492
Maintenance Reserve	669,133		669,133
Tuition Reserve	600,000		600,000
Excess Surplus	2,347,477		2,347,477
Other Purposes	1,691,412		1,691,412
Student Activities	11,635		11,635
Unrestricted (Deficit)	(1,889,024)	240,132	(1,648,892)
Total Net Position	\$ 26,761,418	\$ 260,948	\$ 27,022,366

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

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 6,994,306	\$ 660,619		\$ 2,027,581	\$ (5,627,344)		\$ (5,627,344)
Special Education	1,379,436	130,214			(1,509,650)		(1,509,650)
Other Special Instruction	535,933	50,590			(586,523)		(586,523)
Other Instruction	80,220	7,572			(87,792)		(87,792)
Support Services:							
Instruction - Tuition	3,493,631	388,552			(3,882,183)		(3,882,183)
Student & Instruction Related Services	2,471,932	232,840	16,079	508,302	(2,180,391)		(2,180,391)
General Administrative	422,103	39,845			(461,948)		(461,948)
School Administrative	362,381	34,207			(396,588)		(396,588)
Business and Other Support Services	381,292	35,993			(417,285)		(417,285)
Plant Operations and Maintenance	1,646,445				(1,646,445)		(1,646,445)
Student Transportation	1,233,938		400,988		(832,950)		(832,950)
Unallocated Employee Benefits	5,309,292	(5,309,292)					
Interest Expense	41,174				(41,174)		(41,174)
Total Governmental Activities	24,352,083	(3,728,860)	417,067	2,535,883	(17,670,273)		(17,670,273)
Business-type Activities:							
Food Service	358,309		75,249	238,007		(45,053)	(45,053)
After School Program	8,670		17,915			9,245	9,245
Total Business-type Activities	366,979		93,164	238,007		(35,808)	(35,808)
Total Primary Government	\$ 24,719,062		\$ 510,231	\$ 2,773,890	\$ (17,670,273)	\$ (35,808)	\$ (17,706,081)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					\$ 16,622,500		\$ 16,622,500
Federal, State and Local Aid Not Restricted					1,285,322		1,285,322
Miscellaneous Income					253,502		253,502
Rents					40,000		40,000
Transfers - To Charter School					(412,833)		(412,833)
Total General Revenues, Special Items, Extraordinary Items and Transfers					17,788,491		17,788,491
Change in Net Position					118,218	(35,808)	82,410
Net Position—Beginning					26,643,200	296,756	26,939,956
Net Position—Ending					\$ 26,761,418	\$ 260,948	\$ 27,022,366

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

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund.

GOVERNMENTAL FUNDS

CITY OF VENTNOR SCHOOL DISTRICT
(A Component of the City of Ventnor)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	<u>General</u>	<u>Special</u>	<u>Capital</u>	<u>Total</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Projects</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 4,185,163	\$	\$	\$ 4,185,163
Restricted Cash and Cash Equivalents	2,064,625			2,064,625
Other Receivable	104,501			104,501
State Aid Receivable	473,868	122,264		596,132
Federal Aid Receivable		1,407,827		1,407,827
Interfunds Receivable	577,940			577,940
Total Assets	<u>\$ 7,406,097</u>	<u>\$ 1,530,091</u>	<u>\$</u>	<u>\$ 8,936,188</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 8,448	\$ 301,015	\$	\$ 309,463
Due to Grantor		13,136		13,136
Payroll Deductions and Withholding Payable	20,295			20,295
Interfund Payable	41,573	577,940		619,513
Unearned Revenue	80,099	739,723		819,822
Total Liabilities	<u>150,415</u>	<u>1,631,814</u>		<u>1,782,229</u>
Fund Balances:				
Restricted For:				
Excess Surplus	2,347,477			2,347,477
Excess Surplus - Designated for Subsequent Year's Expenditures	1,691,412			1,691,412
Maintenance Reserve Account	669,133			669,133
Capital Reserve Account	995,492			995,492
Tuition Reserve	400,000			400,000
Student Activities		11,635		11,635
Assigned To:				
Designated for Subsequent Years Expenditures:				
Tuition Reserve	200,000			200,000
General Fund Balance	32,933			32,933
Year-End Encumbrances	95,235			95,235
Unassigned, Reported In:				
General Fund Balance	824,000			824,000
Grant Fund Balance (Deficit)		(113,358)		(113,358)
Total Fund Balances (Deficit)	<u>7,255,682</u>	<u>(101,723)</u>		<u>7,153,959</u>
Total Liabilities and Fund Balances	<u>\$ 7,406,097</u>	<u>\$ 1,530,091</u>	<u>\$</u>	

Amounts reported for *governmental activities* in the Statement of Net Assets (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 \$45,963,032 and the accumulated depreciation is \$23,627,739 (See Note 5)	22,335,293
Deferred Outflow of Resources - Deferred Pension Contribution.	542,345
Deferred Inflows of Resources - Pension Actuarial Gains.	(553,255)
Long Term Net Pension Liability	(2,466,982)
Long-term liabilities, including capital leases payable and Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the Governmental funds (see Note 6).	(249,942)
Net Position of Governmental Activities	<u>\$ 26,761,418</u>

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

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 16,622,500	\$	\$	\$ 16,622,500
Tuition from Other LEA'S	33,391			33,391
Transportation Fees from Other LEAS	400,988			400,988
Rent	40,000			40,000
Interest Earned	111,713			111,713
Interest Earned on Capital Reserve Funds	6,495			6,495
Interest Earned on Maintenance Reserve Funds	6,130			6,130
Miscellaneous	92,364			92,364
Local Sources		16,079	3,409	19,488
Total - Local Sources	17,313,581	16,079	3,409	17,333,069
State Sources	5,659,562	1,110,381		6,769,943
Federal Sources	22,341	2,172,272		2,194,613
Total Revenues	22,995,484	3,298,732	3,409	26,297,625
EXPENDITURES				
Current:				
Instruction				
Regular Instruction	3,912,317	2,027,581		5,939,898
Special Education Instruction	1,170,804			1,170,804
Other Special Instruction	454,876			454,876
Other Instruction	68,087			68,087
Support Services:				
Instruction - Tuition	3,493,631			3,493,631
Student & Instruction Related Services	1,585,256	508,302		2,093,558
General Administrative Services	358,262			358,262
School Administrative Services	307,573			307,573
Central Services	211,526			211,526
Admin Info Tech	112,098			112,098
Plant Operations and Maintenance	1,646,445			1,646,445
Student Transportation	1,233,938			1,233,938
Unallocated Employee Benefits	6,311,361	762,230		7,073,591
Capital Outlay	75,938	110,748	335	187,021
Total Expenditures	20,942,112	3,408,861	335	24,351,308
Excess (Deficiency) of Revenues Over Expenditures	2,053,372	(110,129)	3,074	1,946,317
OTHER FINANCING SOURCES (USES)				
Transfers to Charter School	(412,833)			(412,833)
Transfer from Capital Projects Fund	339,520		(339,520)	
Transfer to Grant Fund - Preschool	(94,465)	94,465		
Total Other Financing Sources and Uses	(167,778)	94,465	(339,520)	(412,833)
Net Change in Fund Balances	1,885,594	(15,664)	(336,446)	1,533,484
Fund Balance—July 1 (Deficit)	5,370,088	(86,059)	336,446	5,620,475
Fund Balance—June 30 (Deficit)	\$ 7,255,682	\$ (101,723)	\$	\$ 7,153,959

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

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (from B-2)	\$	1,533,484
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Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:

Prior Period Adjustment

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	\$ (1,910,921)	
	Capital outlays	145,847	
			(1,765,074)

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

342,248

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

7,560

Change in Net Position of Governmental Activities (A-2)	\$	118,218
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The accompanying Notes to Financial Statements are an integral part of this statement.

PROPRIETARY FUNDS

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-type Activities - Enterprise Funds		
	Food Service	After School Program	Totals
ASSETS			
Current Assets:			
Cash	\$ 51,882	\$ 138,514	\$ 190,396
Accounts Receivable	8,479		8,479
Interfund Receivable	41,573		
Inventory	2,931		2,931
Total Current Assets	104,865	138,514	201,806
Non-current Assets			
Fixed Assets:			
Equipment	178,211		178,211
Less Accumulated Depreciation	(157,395)		(157,395)
Total Fixed Assets	20,816		20,816
Total Assets	125,681	138,514	222,622
LIABILITIES:			
Current Liabilities:			
Accounts Payable			
Interfund Payable			
Unearned Revenue	3,247		3,247
Total Current Liabilities	3,247		3,247
NET POSITION:			
Invested in Capital Assets Net of net of Accumulated Depreciation	20,816		20,816
Unrestricted	101,618	138,514	240,132
Total Net Position	\$ 122,434	\$ 138,514	\$ 219,375

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

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Fund		
	Food Service	After School Program	Total Enterprise
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 55,219	\$	\$ 55,219
Daily Sales - Non-Reimbursable Programs	18,213		18,213
Miscellaneous	1,817		1,817
Program Fees		17,915	17,915
Total Operating Revenue:	75,249	17,915	93,164
OPERATING EXPENSES:			
Salaries	154,181	5,408	159,589
Employee Benefits	53,216	414	53,630
Other Purchased Services	13,760		13,760
Other Costs	15,067	2,848	17,915
Cost of Sales - Reimbursable Programs	118,112		118,112
Cost of Sales - Non Reimbursable Programs	677		677
Depreciation	3,296		3,296
Total Operating Expenses	358,309	8,670	366,979
Operating Income (Loss)	(283,060)	9,245	(273,815)
NON-OPERATING REVENUES:			
State Sources:			
State School Breakfast Program	492		492
State School Lunch Program	4,151		4,151
Federal Sources:			
SFSP - Food	1,073		1,073
SFSP - Admin	106		106
National School Breakfast Program	37,827		37,827
National School Lunch Program	143,917		143,917
National School Snack Program	3,708		3,708
P-EBT Administrative Cost Reimbursement	653		653
Supply Chain Assistance Funding	24,300		24,300
Food Distribution Program	21,780		21,780
Total Non-operating Revenues (Expenses)	238,007		238,007
Income (Loss) Before Contributions & Transfers	(45,053)	9,245	(35,808)
Change in Net Position	(45,053)	9,245	(35,808)
Total Net Position—Beginning	167,487	129,269	296,756
Total Net Position—Ending	\$ 122,434	\$ 138,514	\$ 260,948

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

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities Enterprise Funds		
	Food Service	After School Program	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 75,249	\$ 17,915	\$ 93,164
Payments to Employees	(154,181)	(5,408)	(159,589)
Payments for Employee Benefits	(53,216)	(414)	(53,630)
Payments to Suppliers	(188,887)	(2,848)	(191,735)
Net Cash Provided by (used for) Operating Activities	(321,035)	9,245	(311,790)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	4,643		4,643
Federal Sources	211,584		211,584
Net Cash Provided by (used for) Non-capital Financing Activities	216,227		216,227
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Capital Assets			
Net Cash Provided by (used for) Capital and Related Financing Activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends			
Net Cash Provided by (used for) Investing Activities			
Net Increase (Decrease) in Cash and Cash Equivalents	(104,808)	9,245	(95,563)
Balances—Beginning of Year	156,690	129,269	285,959
Balances—End of Year	\$ 51,882	\$ 138,514	\$ 190,396
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$ (283,060)	\$ 9,245	\$ (273,815)
Adjustments to Reconcile Operating Income (Loss) to Net Cash provided by (used for) Operating Activities:			
Depreciation and Net Amortization	3,296		3,296
Food Distribution Program	21,780		21,780
(Increase)/Decrease in Accounts Receivable, Net	47,000		47,000
(Increase)/Decrease in Interfund Receivable			
(Increase)/Decrease in Inventory	(725)		(725)
Increase/(Decrease) in Accounts Payable	(21)		(21)
Increase/(Decrease) in Interfund Payable	(110,000)		(110,000)
Increase/(Decrease) in Deferred Revenue	695		695
Total Adjustments	(37,975)		(37,975)
Net Cash Provided by (used for) Operating Activities	\$ (321,035)	\$ 9,245	\$ (311,790)

Noncash Investing, Capital, and Financing Activities:

During the year, the District received \$21,449 of Food Commodities from the U.S. Department of Agriculture

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

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ventnor School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of appointed officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the City of Ventnor School District (District) have been prepared in conformity with generally accepted accounting principles (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. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY:

The City of Ventnor School District is a Type I district located in the County of Atlantic, State of New Jersey. As a Type I district, the Board of Education members are appointed by the Mayor. The Board is comprised of seven members appointed to three-year terms. The purpose of the district is to educate students in grades K-8. The City of Ventnor School District had an approximate enrollment at June 30, 2022 of 568 students.

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

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

Based on the aforementioned criteria, the District has no component units but, as a Type I School District, would be considered a component unit of the City of Ventnor. The City however reports on a regulatory basis of accounting which does not recognize component units. If the City followed generally accepted accounting principles (GAAP) reporting, the Board of Education would be a component unit of the City of Ventnor.

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS:

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service and after school program). The functions are also supported by general government revenues (property taxes, transportation, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, special education, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital- specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, transportation, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria is applied to proprietary funds.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities

- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds. As a Type I School District all debt is borne by the municipality rather than the school district.

Fund Balances - Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Non-spendable- includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances - Governmental Funds - Continued

Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District's enterprise funds consist of a food service fund and an after school program.

Internal Service Fund - The internal service fund is utilized to charge costs for certain activities to individual funds or other governmental entities. The District does not currently maintain an Internal Service Fund.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 - 20 years
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3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds. The District does not presently maintain any fiduciary funds for pension, private purpose or any agency.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

FINANCIAL STATEMENT AMOUNTS

Cash and Cash Equivalents:

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. 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 they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

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

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents: Continued

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

Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first-out method. The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and was included as an item of non-operating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2023 was \$694.

As of June 30, 2023, the District did not have inventory in the general fund and had \$2,931 of inventory in the enterprise fund:

Capital:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements & portable classroom	20 -50
Land improvements	20
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 – 10
Computer equipment	5 – 10

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

Compensated absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity. In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

Interfund Activity:

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval by the board of school estimates. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following are the major transfers made during the year.

	<u>To</u>	<u>From</u>
Tuition	\$ 31,000	\$
Grades 1-5		89,404
Regular Instruction	20,107	
Multiple Dissabilities	56,637	
Othwr Student Support Services	61,004	
Resource Room		85,311
Bilingual	46,091	
Operation & Maintenance of Plant	52,731	
Capital Outlay	40,000	

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

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

Encumbrances

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

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred 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.

Tuition Payable

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the actual expenditures by program.

Pensions

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

Net position

Net position represents the difference between the sum of assets and deferred outflows of resources, and the sum 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 credits, grantors, or laws or regulations of their 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 balances - Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balances - Governmental Funds - Continued

Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Tax assessments and property taxes:

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

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

- GASB Statement No. 96 – Subscription-Based Information Technology Arrangements was effective after June 15, 2022 and was considered by Management.
- GASB Statement No. 99 - *Omnibus 2022*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Management is evaluating the potential impact of the adoption of GASB 99 on the School District's financial statements.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- GASB Statement No. 100 - *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Management is evaluating the potential impact of the adoption of GASB 100 on the School District's financial statements.

- GASB Statement No. 101 - *Compensated Absences*: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is evaluating the potential impact of the adoption of GASB 101 on the School District's financial statements.

NOTE 2. INVESTMENTS

As of June 30, 2022, the District had no investments, other than the New Jersey ARM account.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

NOTE 3. CASH

As of June 30, 2023, cash and cash equivalents in the fund financial statements of the District consisted of the following:

	<u>Cash and</u>
	<u>Equivalents</u>
Checking Accounts	\$ 6,440,185
Savings and Investment Accts	
Total	\$ <u>6,440,185</u>

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 3. CASH - Continued

Custodial Credit Risk- Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be recovered. Although the District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies.

The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. The District does not place a limit on the amount that may be invested in any one issuer. As of June 30, 2023, the District's bank balances of \$6,926,658 were insured or collateralized as follows:

Insured by Depository Insurance	\$	333,789
Uninsured and collateralized by GUDPA by pledging financial institutions		6,592,869
	\$	<u>6,926,658</u>

Deposits at June 30, 2023 appear in the financial statements as summarized below:

<i>Cash</i>		<u>\$6,440,184</u>
	<i>Ref.</i>	
<i>Unrestricted cash</i>		
<i>Governmental funds, Balance Sheet</i>	<i>B-1</i>	\$4,185,163
<i>Enterprise funds, Statement of Net Position</i>	<i>B-4</i>	190,396
<i>Restricted cash</i>		
<i>Governmental funds, Balance Sheet</i>	<i>B-1</i>	<u>2,064,625</u>
<i>Total cash</i>		<u>\$6,440,184</u>

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4. FIXED ASSETS

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

	Balance 7/1/2022	Additions	Transfer	Balance 6/30/2023
Governmental activities:				
Capital Assets That Are Not Being Depreciated:				
Land	\$ 107,500	\$	\$	\$ 107,500
Construction in progress	215,080	75,385		290,465
Total capital assets not being depreciated	322,580	75,385		397,965
Building and building improvements	44,602,432			44,602,432
Machinery & equipment	892,173	70,462		962,635
Totals at historical cost	45,494,605	70,462		45,565,067
Total Cost Basis	45,817,185	145,847		45,963,032
Less accumulated depreciation for :				
Building and improvements	(20,970,641)	(1,858,228)		(22,828,869)
Machinery & equipment	(746,177)	(52,693)		(798,870)
Total accumulated depreciation	(21,716,818)	(1,910,921)		(23,627,739)
Government activities capital assets, net	\$ 24,100,367	\$ (1,765,074)	\$	\$ 22,335,293
 Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 178,211	\$	\$	\$ 178,211
Less accumulated depreciation for :				
Equipment	(154,099)	(3,296)		(157,395)
Business-type activities capital assets, net	\$ 24,112	\$ (3,296)	\$	\$ 20,816

* Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 1,054,408
Special Education	208,632
Other Special Instruction	81,057
Other Instruction	12,133
Student & Instruction Related Services	378,374
General & Business Administration	63,841
School Administration Expenses	54,808
Business & Other Support Services	57,668
Total Depreciation Expense	\$ 1,910,921

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 5. LONG-TERM OBLIGATIONS

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

	Balance			Amounts Due		
Governmental Activities:	July 1, 2021	Additions	Reductions	June 30, 2022	Within One Year	Long-Term Portion
Compensated Absences	\$ 257,502		\$ 7,560	\$ 249,942	34,044	\$ 215,898
Net Pension Liability	1,918,538	548,444		2,466,982		2,466,982
Total Liabilities	\$ 2,176,040	\$ 548,444	\$ 7,560	\$ 2,716,924	\$ 34,044	\$ 2,682,880

Payments on the general obligation bonds are made by the City of Ventnor. The other long-term debts are paid in the current expenditures budget of the District's general fund.

A Bonds Payable- The City of Ventnor School District is a Type I School District. In the State of New Jersey, all Type I school debt is borne by the municipality rather than the school district. The outstanding balance in School Bonds as of June 30, 2023 is \$8,625,000, which is reflected on the Annual Debt Statement of the City of Ventnor.

B Capital Leases- The district has no Capital Leases as of June 30, 2023

NOTE 6. PENSION PLANS

Description of Plans - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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 with 30 years or more 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.

The following represents the membership tiers for PERS:

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 6. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2021 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2023 were \$105,024. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2023 is 15.98% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2023, and 2022, were \$206,143 and \$189,662 respectively.

The total payroll for the year ended June 30, 2023 was \$9,730,396. Payroll covered by PERS was \$1,400,321 for fiscal year 2023.

Components of Net Pension Liability - At June 30, 2023, the District's proportionate share of the PERS net pension liability was \$2,466,981. The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The District's proportion measured as of June 30, 2022 was 0.016347% which was an increase of 0.00015% from its proportion measured as of June 30, 2021.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2023 PERS pension expense, with respect to GASB 68, was \$(94,642). The District's 2023 deferred outflows of resources and deferred inflows of resources were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,806	\$ 15,702
Changes of assumptions	7,643	369,405
Net difference between projected and actual earnings on pension plan investments	102,106	
Changes in proportion	208,647	168,148
Contributions subsequent to the measurement date	206,143	
Total	\$ 542,345	\$ 553,255

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 6. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

Year	PERS
2023	\$ (124,620)
2024	(63,516)
2025	65,406
2026	319
2027	319
Thereafter	
Total	\$ (122,092)

Additional Information - Collective Balances at June 30, 2023 and 2022 are as follows:

Year	2023	2022
Collective deferred outflows of resources	\$ 542,345	\$ 557,075
Collective deferred inflows of resources	\$ 553,255	\$ 1,458,677
Collective Net Pension Liability	\$ 2,466,981	\$ 1,918,538
District's Proportion	0.016347%	0.016195%

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

	PERS
Investment Rate of Return	7.00%
Salary Increases: (Based on Years of Service):	2.75 – 6.55%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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

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

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

Asset Class	PERS Target Allocation	Long-Term Expected Real Rate of Return
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%
Total	100.00%	

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

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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ <u>3,196,189</u>	\$ <u>2,466,981</u>	\$ <u>1,885,069</u>

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

The following represents the membership tiers for TPAF:

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

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2021. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the 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 District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2023 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$2,530,674 to the TPAF for pension contributions, \$664,802 for post-retirement benefits on behalf of the School, and \$641 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$532,744 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2023, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2023, the District recognized pension expense of \$879,381 and revenue of \$879,381 for support provided by the State.

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

	<u>TPAF</u>
Investment Rate of Return	7.00%
Salary Increases	
(Based on Years of Service):	2.75 – 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Long-Term Expected Rate of Return - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	TPAF Target Allocation	Long-Term Expected Real Rate of Return
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%
Total	100.00%	

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	\$ 38,373,406	\$ 32,675,218	\$ 27,971,088
State's Share of the Net Pension Liability	\$ 60,591,896,759	\$ 51,676,587,303	\$ 44,166,559,329

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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually
5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2023, employee contributions totaled \$10,769 and the District's employer contribution, recognized in pension expense, was \$7,930. There were no forfeitures during the fiscal year.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit State Retired Employees Plan:

State Health Benefit State Retired Employees Plan Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not prefund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for “pay-as-you-go” PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State’s contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

General Information about the OPEB Plan

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

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

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

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2022, was \$50,646,462,966. Of this amount, the total OPEB liability attributable to the School District was \$32,117,566. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.06342%. The total OPEB liability for the School District measured as of June 30, 2022 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2022 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

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

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

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

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

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Health Care Trend Assumptions

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

Discount rate

The discount rate used to measure the total OPEB liability 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 OPEB Liability

	<u>Total OPEB Liability</u>
State of New Jersey	
Balance as of June 30, 2021 Measurement Date	\$ 60,007,650,971
Changes for the year:	
Service Cost	2,770,618,025
Interest	1,342,187,139
Changes of Benefit Terms	0
Differences between Expected and Actual	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Benefit Payments	(1,329,476,059)
Contributions from Members	42,650,252
Net Changes	(9,361,188,004)
Balance as of June 30, 2022 Measurement Date	\$ 50,646,462,967

Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:

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

<u>June 30, 2022</u>		
<u>At 1.00% Decrease</u>	<u>At Discount Rate</u>	<u>At 1.00% Increase</u>
<u>2.54%</u>	<u>3.54%</u>	<u>4.54%</u>
\$ 59,529,589,697	50,646,462,966	43,527,080,995

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NOTES TO FINANCIAL STATEMENTS
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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

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

June 30, 2022		
	Healthcare Cost Trend Rate	
1.00% Decrease		1.00% Increase
\$ 41,862,397,291	50,646,462,966	62,184,866,635

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the School District recognized OPEB expense of \$901,604. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 5,734,260	\$ (9,805,864)
Changes of Assumptions	5,558,738	(10,931,065)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	1,882,506	(47,851)
Contributions Subsequent to the Measurement Date		
Total	\$ 13,175,504	\$ (20,784,780)

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

Measurement Period Ending June 30,		OPEB
2023	\$	3,773,993
2024		3,773,993
2025		3,773,993
2026		3,979,302
2027		4,538,229
Thereafter		14,120,773
Total	\$	33,960,283

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 8. RISK MANAGEMENT

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

Property and Liability Insurance- The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2023 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease

NOTE 9. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee and are capped based on the terms stated in the various contracts.

In the District-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences.

NOTE 10. DEFERRED COMPENSATION

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

Lincoln Investment Planning
GWN Securities
Syracusa
Ameriprise
Metlife Associates
Prudential
AXA Equitable
Great American

NOTE 11. ECONOMIC DEPENDENCY

The District is heavily reliant on local property taxation through the City of Ventnor to fund the District's operations. Property taxes funded 63.21% of the Districts 2022-2023 governmental fund/type operating revenue.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 577,940	\$ 41,573
Special Revenue Fund		577,940
Capital Projects Fund		
Food Service Fund	41,573	
Total	\$ 619,513	\$ 619,513

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds. It is anticipated that all interfunds will be liquidated during the fiscal year. All governmental fund interfunds are eliminated in the governmental-wide statements.

NOTE 13. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Ventnor City Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance July 1, 2022	\$ 613,003
Interest Earnings	6,130
Added by Resolution	50,000
Withdrawn	
Ending Balance June 30, 2023	\$ 669,133

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District deposited \$50,000 in additional funds into their Maintenance Reserve Account by Board Resolution in June 2023. The Reserve balance is within the Maximum amount of \$978,120, as per Schedule M-1.

NOTE 14. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Ventnor City Board of Education for the accumulation of funds for 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 district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2.

Pursuant to N.J.A.C. 6:23A- 2.13(g) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP, which is \$16,603,004.

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NOTE 14. CAPITAL RESERVE ACCOUNT (Continued)

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

Beginning Balance July 1, 2022	\$	649,477
Interest Earnings		6,495
Withdrawn		
Unspent and replaced		339,520
Added by resolution		
Ending Balance June 30, 2023	\$	995,492

NOTE 15. TUITION RESERVE ACCOUNT

The activity of the Tuition Reserve account for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance July 1, 2022	\$	450,000
Added by Resolution		400,000
Withdrawn		(250,000)
Ending Balance June 30, 2023	\$	600,000

There was also \$200,000 appropriated in the 2023-2024 budget.

NOTE 16. FUND BALANCE APPROPRIATED

General Fund – Of the \$7,255,682 General Fund Balance at June 30, 2023, \$95,235 is reserved for Encumbrances; \$4,038,789 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7 (\$1,691,412 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024); \$669,133 has been reserved in the Maintenance Reserve Account, of which none has been appropriated and also included as anticipated revenue for the year ending June 30, 2024; \$995,492 has been reserved in the Capital Reserve Account, of which \$0 has been appropriated and also included as anticipated revenue for the year ending June 30, 2023; \$600,000 has been reserved in the Tuition Reserve Account, of which \$200,000 has been appropriated and included as anticipated revenue for the year ending June 30, 2024) \$32,933 has been assigned and appropriated/included as anticipated revenue for the year ending June 30, 2023 and \$824,024 is unrestricted and undesignated.

NOTE 17. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectable in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Receivables:	General Fund	Special Revenue Fund	Capital Projects Fund	Proprietary Funds	Total
Intergovernmental	\$ 476,868	\$ 1,530,091	\$ -	\$ 8,479	\$ 2,015,438
Other	104,501				
Totals	\$ 581,369	\$ 1,530,091	\$ -	\$ 8,479	\$ 2,015,438

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 18. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$4,038,889, of which \$1,691,412 has been appropriated and included as anticipated revenue for the year ended June 30, 2024 and \$2,347,477 must be budgeted in 2024-2025.

NOTE 19. DEFICIT FUND BALANCES

The District has an unassigned deficit fund balance of \$(113,358) in the Special Revenue Fund as of June 30, 2023, as reported in the fund statements (modified accrual basis). N.J.S.A.18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

NOTE 20. LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. The District is currently involved in one Prompt Payment Act claim involving a company regarding a roof repair project. The District's attorney believes the District has a valid defense but is seeking a negotiated settlement deemed to be immaterial. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

NOTE 21. SUBSEQUENT EVENTS

The District has evaluated events through December 6, 2023, the date on which the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Amendments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 16,622,500	\$	\$ 16,622,500	\$ 16,622,500	\$
Tuition from Other LEA'S				33,391	33,391
Transportation Fees From Other LEAs	327,783		327,783	400,988	73,205
Rents				40,000	40,000
Interest Earned				111,713	111,713
Interest Earned on Capital Reserve	50		50	6,495	6,445
Interest Earned on Maintenance Reserve	100		100	6,130	6,030
Miscellaneous				92,364	92,364
Total - Local Sources	16,950,433		16,950,433	17,313,581	363,148
State Sources:					
Transportation Aid	417,427		417,427	417,427	
Special Education Aid	569,952		569,952	569,952	
Security Aid	344,749		344,749	344,749	
Extraordinary Aid				86,637	86,637
Homeless Tuition					-
Non-Public Transportation				7,249	7,249
Supplemental Stabilization Aid				113,804	113,804
Maintenance of Equity Aid				354,021	354,021
Lead Testing For Schools				2,347	2,347
On-behalf Pension Contribution				2,530,674	2,530,674
On-behalf TPAF Post Retirement Medical Contribution				664,802	664,802
On-behalf TPAF Long-Term Disability Contribution				641	641
Reimbursement TPAF Social Security				532,744	532,744
Total - State Sources	1,332,128		1,332,128	5,625,047	4,292,919
Federal Sources:					
Medicaid Reimbursement	33,944		33,944	22,341	(11,603)
Total - Federal Sources	33,944		33,944	22,341	(11,603)
TOTAL REVENUES	\$ 18,316,505	\$	\$ 18,316,505	\$ 22,960,969	\$ 4,644,464
EXPENDITURES:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Preschool	\$ 5,231	\$	\$ 5,231	\$ 1,008	\$ 4,223
Kindergarten	360,393	5,297	365,690	361,806	3,884
Grades 1-5	1,883,560	(89,404)	1,794,156	1,604,039	190,117
Grades 6-8	1,910,545	(5,297)	1,905,248	1,810,189	95,059
Home instruction:					
Salaries of Teachers	11,000		11,000	6,121	4,879
Purchased Prof/Ed Services	2,000	8,000	10,000		10,000
Regular Programs - Undistributed - Instruction:					
General Supplies	290,470	20,107	310,577	125,656	184,921
Textbooks	71,059	(730)	70,329		70,329
Other Objects	7,900	730	8,630	3,498	5,132
Total Regular Programs	4,542,158	(61,297)	4,480,861	3,912,317	568,544

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CURRENT EXPENSES: (Continued)					
Special Education					
Multiple Disabilities:					
Salaries of Teachers	\$ 172,138	\$ 58,723	\$ 230,861	\$ 227,326	\$ 3,535
Other Salaries for Instruction	143,406	(11,633)	131,773	113,885	17,888
General Supplies	200	9,547	9,747	6,778	2,969
Total Multiple Disabilities	315,744	56,637	372,381	347,989	24,392
Resource Room:					
Salaries of Teachers	767,452	(54,234)	713,218	709,191	4,027
Other Salaries for Instruction	184,407	(31,718)	152,689	86,863	65,826
General Supplies	24,571	641	25,212	24,088	1,124
Total Resource Room	976,430	(85,311)	891,119	820,142	70,977
Home Instruction - Special:					
Salaries of Teachers	10,000		10,000	2,673	7,327
Total Home Instruction - Special	10,000		10,000	2,673	7,327
TOTAL SPECIAL EDUCATION	1,302,174	(28,674)	1,273,500	1,170,804	102,696
Basic Skills/Remedial-Instruction:					
Salaries of Teachers	563,036		563,036	408,368	154,668
General Supplies	1,800		1,800	417	1,383
Total Basic Skills/Remedial-Instruction	564,836		564,836	408,785	156,051
Bilingual Education-Instruction					
Salaries of Teachers		46,091	46,091	46,091	
Total Bilingual Education-Instruction		46,091	46,091	46,091	
School Sponsored Co-curricular Activities:					
Salaries	34,810		34,810	26,084	8,726
Purchased Services (300-500 Series)	500		500		500
Supplies and Materials	6,755	1,146	7,901	5,233	2,668
Other Objects	2,000	4,556	6,556	3,982	2,574
Total School Sponsored Co-curricular Activities	44,065	5,702	49,767	35,299	14,468
School Sponsored Athletics:					
Salaries	28,900	(347)	28,553	20,330	8,223
Purchased Services (300-500 Series)	3,500	(280)	3,220	3,220	
Supplies and Materials	2,150	4,997	7,147	7,098	49
Total School Sponsored Athletics	34,550	4,370	38,920	30,648	8,272
Summer School - Instruction:					
Salaries of Teachers	12,816	(10,072)	2,744	250	2,494
Total Summer School - Instruction	12,816	(10,072)	2,744	250	2,494
Other Alternate Education Programs - Instruction:					
Salaries of Teachers	2,160		2,160	1,890	270
Total Other Alternate Education Programs - Instruction	2,160		2,160	1,890	270
Total Instruction	6,502,759	(43,880)	6,458,879	5,606,084	852,795
Undistributed Expenditures:					
Instruction:					
Tuition - Other LEAs Within the State - Regular	2,443,421	(2,046)	2,441,375	2,430,385	10,990
Tuition - Other LEAs Within the State - Special	307,212	(1,100)	306,112	305,250	862
Tuition - Co Voc. School Dist. - Regular	164,427		164,427	159,459	4,968
Tuition - Co Voc. School Dist. - Special	12,750	4,968	17,718	17,718	
Tuition - CSSD & Regional Day Schools	191,593	105,596	297,189	261,016	36,173
Tuition to Private Schools for the Disabled Within State	405,208	(76,418)	328,790	319,803	8,987
Total Undistributed Expenditures - Instruction	3,524,611	31,000	3,555,611	3,493,631	61,980

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CURRENT EXPENDITURES: (Continued)					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 74,805	\$ (1,742)	\$ 73,063	\$ 73,063	\$
Other Purchased Services	1,680	(336)	1,344	740	604
Supplies and Materials	150	74	224	224	
Total Undistributed Expend. - Attendance & Social Work	76,635	(2,004)	74,631	74,027	604
Health Services:					
Salaries	132,098	(503)	131,595	131,432	163
Purch Prof/ Tech Services	10,650	(1,090)	9,560	9,045	515
Supplies and Materials	198	1,836	2,034	944	1,090
Total Health Services	142,946	243	143,189	141,421	1,768
Speech, OT, PT & Related Services					
Salaries	149,601	4,957	154,558	154,558	
Purchased Professional - Educational Services	1,260	940	2,200	2,200	
Total Related Services	150,861	5,897	156,758	156,758	
Other Support Services - Students - Extra Services:					
Salaries		62,838	62,838	59,600	3,238
Purchased Prof Ed Services	172,125	(1,834)	170,291	139,370	30,921
Total Extra Services	172,125	61,004	233,129	198,970	34,159
Guidance:					
Salaries Other Professionals	139,376	1,112	140,488	140,488	
Purchased Professional - Educational Services	24,468	(14,116)	10,352	10,352	
Supplies and Materials	2,400	(854)	1,546	1,546	
Total Guidance	166,244	(13,858)	152,386	152,386	
Child Study Team					
Salaries of Other Professional Staff	307,023	(8,767)	298,256	297,902	354
Salaries Secr. & Clerical Asst.	58,523	(1,741)	56,782	56,782	
Purchased Professional - Educational Services	260,288	32,228	292,516	266,717	25,799
Supplies and Materials	22,201	(5,007)	17,194	16,492	702
Total Child Study Teams	648,035	16,713	664,748	637,893	26,855
Improv. Instruction Services/Other Support					
Salaries of Other Professional Staff	9,000	(3,309)	5,691	1,125	4,566
Total Improvement of Instruction Services/Other Support	9,000	(3,309)	5,691	1,125	4,566
Educational Media Services/School Library:					
Salaries	176,601		176,601	173,676	2,925
Salaries of Technology Coordinators	900	(541)	359		359
Purchased Professional and Technical Services	10,541	(2,358)	8,183	6,760	1,423
Other Purchased Services	725		725	653	72
Supplies and Materials	22,000	14,680	36,680	30,481	6,199
Total Educational Media Services/School Library	210,767	11,781	222,548	211,570	10,978

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CURRENT EXPENSES: (Continued)					
Undistributed Expenditures:					
Instructional Staff Training Services					
Purchased Professional and Educational Services	\$ 75	\$	\$ 75	\$	\$ 75
Other Purchased Services (400-500 Series)	16,000	3,309	19,309	11,106	8,203
Total Inst. Staff Training Services	16,075	3,309	19,384	11,106	8,278
Support Services General Administration:					
Salaries	237,052	(10,430)	226,622	226,622	
Legal Services	46,000	2,470	48,470	48,470	
Audit Fees	22,486	1,524	24,010	24,010	
Architectural/Engineering Services		5,053	5,053	2,828	2,225
Communication/Telephone	29,436	10,275	39,711	26,612	13,099
BOE Other Purchased Prof. Services	1,600	500	2,100	2,100	
Other Purchased Services	22,066	(4,457)	17,609	13,315	4,294
General Supplies	4,500		4,500	250	4,250
BOE In-House Training/Meeting Supplies	1,500	(500)	1,000	360	640
Miscellaneous Expenditures	7,500	(858)	6,642	4,288	2,354
BOE Membership Dues and Fees	9,594		9,594	9,407	187
Total Support Services General Administration	381,734	3,577	385,311	358,262	27,049
Support Services School Administration:					
Salaries of Principals/Assistant Principals	157,575	1	157,576	157,576	
Salaries of Secretarial and Clerical Assistants	133,618	5,076	138,694	138,323	371
Purchased Professional and Technical Services	3,294		3,294	3,276	18
Supplies and Materials	11,800	(7,017)	4,783	4,783	
Other Objects	5,327	(1,712)	3,615	3,615	
Total Support Services School Administration	311,614	(3,652)	307,962	307,573	389
Central Services:					
Salaries	167,418	603	168,021	168,021	
Purchased Professional Services	42,169	(863)	41,306	36,407	4,899
Miscellaneous Purchased Services	5,500	(457)	5,043	1,731	3,312
Supplies and Materials	3,000	457	3,457	3,303	154
Miscellaneous Expenditures	3,089		3,089	2,064	1,025
Total Central Services	221,176	(260)	220,916	211,526	9,390
Admin. Info. Technology:					
Salaries	67,633	(860)	66,773	62,055	4,718
Other Purchased Services	44,120	3,503	47,623	47,623	
Salaries and Materials		2,420	2,420	2,420	
Total Admin. Info. Technology	111,753	5,063	116,816	112,098	4,718
Required Maintenance for School Facilities:					
Salaries	262,833	(3,310)	259,523	259,523	
Cleaning, Repair and Maintenance Services	315,975	64,467	380,442	376,844	3,598
General Supplies	65,750	(4,482)	61,268	47,555	13,713
Total Required Maintenance for School Facilities	644,558	56,675	701,233	683,922	17,311

**CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Other Operation and Maintenance of Plant-Custodial Services:					
Salaries	\$ 7,020	\$ 1,192	\$ 8,212	\$ 8,212	\$ -
Cleaning, Repair and Maintenance Services	345,241	(23,801)	321,440	321,440	
Insurance	137,546	14,467	152,013	149,513	2,500
General Supplies	60,000	(3,009)	56,991	53,873	3,118
Energy (Natural Gas)	100,000	26,826	126,826	123,817	3,009
Energy (Electricity)	290,000	(19,619)	270,381	270,381	
Other Objects	4,700		4,700	4,260	440
Total Other Operation and Maintenance of Plant - Custodial	944,507	(3,944)	940,563	931,496	9,067
Undistributed Expenditures - Care & Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	8,400		8,400	5,556	2,844
General Supplies	2,000		2,000		2,000
Total Care & Upkeep of Grounds	10,400		10,400	5,556	4,844
Undistributed Expenditures - Security:					
Salaries	30,268		30,268	24,265	6,003
Cleaning, Repair and Maintenance Services	15,273	-	15,273	385	14,888
General Supplies	2,000		2,000	821	1,179
Total Security	47,541		47,541	25,471	22,070
Total Operation and Maintenance of Plant Services	1,647,006	52,731	1,699,737	1,646,445	53,292
Undistributed Expenditures - Student Transportation Services:					
Contracted Services (Bet Home/School) - Vendor	1,165,116	(46,041)	1,119,075	987,088	131,987
Contracted Services (Not Bet Home/School) - Vendors	14,400	12,400	26,800	7,967	18,833
Contracted Services (Sp. Ed. Stds.) - Joint Agmnts	292,563	31,112	323,675	214,110	109,565
Contracted Services - Aid in Lieu of Payments - Nonput	22,000	3,539	25,539	24,773	766
Contracted Services - Aid in Lieu of Payments - Charter	2,000	(11)	1,989		1,989
Total Student Transportation Services	1,496,079	999	1,497,078	1,233,938	263,140
Unallocated Employee Benefits:					
Social Security Contributions	150,000	38,177	188,177	109,062	79,115
Other Retirement Contributions - PERS	216,631		216,631	206,357	10,274
Unemployment Compensation	4,000		4,000		4,000
Workers Compensation	115,142		115,142	110,116	5,026
Health Benefits	2,547,980		2,547,980	2,107,485	440,495
Tuition Reimbursement	39,000	(14,942)	24,058	19,134	4,924
Other Employee Benefits	32,878	(23,235)	9,643	8,746	897
Unused Sick Payments to Terminated/Retired Staff	30,000		30,000	21,600	8,400
Total Unallocated Employee Benefits	3,135,631		3,135,631	2,582,500	553,131
On-behalf TPAF Pension Contribution				2,530,674	(2,530,674)
On-behalf TPAF Post Retirement Medical Contribution				664,802	(664,802)
On-behalf TPAF Long-Term Disability Contribution				641	(641)
Reimbursement TPAF Social Security				532,744	(532,744)
Total Personal Services - Employee Benefits	3,135,631		3,135,631	6,311,361	(3,175,730)
Total Undistributed Expenditures	12,422,292	169,234	12,591,526	15,260,090	(2,668,564)
Interest Earned on Maintenance Reserve	100		100		100
TOTAL EXPENDITURES - CURRENT EXPENSE	18,925,151	125,354	19,050,505	20,866,174	(1,815,669)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	\$	\$	\$	\$	\$
Undistributed Expenditures:					
Instructional:					
Regular Programs-Instruction					
Grades 6-8		40,000	40,000		40,000
Admin - Info Tech		49,402	49,402		49,402
Undistributed Expenditures - Required Maint for School Facilities	71,000	(38,736)	32,264	32,264	
Total Equipment	71,000	50,666	121,666	32,264	89,402
Facilities Acquisition - Construction Services:					
Architectural/Engineering Services	40,000	(10,666)	29,334	2,500	26,834
Construction Services	50,000		50,000		50,000
Assessment for Debt Service on SDA Funding	41,174		41,174	41,174	
Total Facilities Acquisition and Construction Services	131,174	(10,666)	120,508	43,674	76,834
Interest Deposit to Capital Reserve	50		50		50
TOTAL CAPITAL OUTLAY	202,224	40,000	242,224	75,938	166,286
TOTAL EXPENDITURES	19,127,375	165,354	19,292,729	20,942,112	(1,649,383)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(810,870)	(165,354)	(976,224)	2,018,857	2,995,081
Other Financing Sources (Uses):					
Transfer to Charter School	(517,347)	31,000	(486,347)	(412,833)	73,514
Transfer from Capital Projects Fund				339,520	339,520
Transfer to Grant Fund - Preschool	(94,465)		(94,465)	(94,465)	
Total Other Financing Sources	(611,812)	31,000	(580,812)	(167,778)	413,034
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,422,682)	(134,354)	(1,557,036)	1,851,079	3,408,115
Fund Balances, July 1	5,488,468		5,488,468	5,488,468	
Fund Balances, June 30	\$ 4,065,786	\$ (134,354)	\$ 3,931,432	\$ 7,339,547	\$ 3,408,115
RECAPITULATION:					
Restricted Fund Balance:					
Excess Surplus				\$ 2,347,477	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,691,412	
Maintenance Reserve				669,133	
Capital Reserve				995,492	
Tuition Reserve				400,000	
Assigned Fund Balance:					
Tuition Reserve - Designated for Subsequent Year's Expenditures				200,000	
Designated for Subsequent Year's Expenditures				32,933	
Year-End Encumbrances				95,235	
Unassigned Fund Balance					
				907,865	
				7,339,547	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments not Recognized on GAAP Basis				(83,865)	
Fund Balance per Governmental Funds (GAAP)				\$ 7,255,682	

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Sources	20,000		20,000	16,079	(3,921)
Federal Sources					
Title I	\$ 361,968	\$ 50,752	\$ 412,720	\$ 407,142	\$ (5,578)
Title I - StA	34,595	7,172	41,767	41,767	
Title II	40,623	55,347	95,970	86,440	(9,530)
Title IV	17,205	21,978	39,183	31,931	(7,252)
I.D.E.A., Part B	171,258	27,375	198,633	198,633	
I.D.E.A., Part B Preschool Initiative	6,395	1,665	8,060	8,060	
ESSER II	507,598	367,348	874,946	847,656	(27,290)
ESSER III	63,338	2,642,306	2,705,644	1,096,332	(1,609,312)
CRRSA Learning Accel	27,346	11,745	39,091	24,805	(14,286)
CRRSA Mental Health		2,948	2,948	2,948	
ARP Learning Accel		47,089	47,089	28,758	(18,331)
ARP Summer		40,000	40,000		(40,000)
ARP Beyond		32,889	32,889	8,242	(24,647)
ARP Mental Health		45,000	45,000	45,000	
ARP Homeless		12,895	12,895		(12,895)
	1,230,326	3,366,509	4,596,835	2,827,714	(1,769,121)
State Sources					
SDA Emergent Grant		13,376	13,376	13,376	
Climate Awareness Education		6,660	6,660	5,972	(688)
Preschool	1,238,229	(13,475)	1,224,754	1,090,158	(134,596)
Student Activities	20,000	(440)	19,560		(19,560)
	1,238,229	6,561	1,264,350	1,109,506	(154,844)
Total Revenues	2,488,555	3,373,070	5,881,185	3,953,299	(1,927,886)
EXPENDITURES:					
Instruction					
Salaries of Teachers	1,193,813	350,226	1,544,039	1,302,905	241,134
Other Salaries for Instruction	280,095	(25,047)	255,048	251,370	3,678
Purchased Educational Services		6,060	6,060	972	5,088
Tuition	177,653	29,040	206,693	206,693	
Other Purchased Services (400-500 Series)	8,075	5,959	14,034	5,276	8,758
General Supplies	55,662	461,875	517,537	231,707	285,830
Student Activities	20,000	19,557	39,557	28,294	11,263
Total Instruction	1,735,298	847,670	2,582,968	2,027,217	555,751
Support Services					
Salaries	79,963	191,358	271,321	133,259	138,062
Salaries of Principals	20,985	40	21,025	21,025	
Salaries of Other Professional Staff	43,905	(325)	43,580	40,455	3,125
Salaries - Other	10,102	284	10,386	10,386	
Salaries of Facilitator/Coach	26,415		26,415	25,687	728
Personal Services - Employee Benefits	436,286	540,887	977,173	685,076	292,097
Purchased Professional - Educational Services	4,000	146,835	150,835	119,140	31,695
Purchased Property Services	9,503	1	9,504	9,504	
Other Purchased Services	61,254	132,990	194,244	163,824	30,420
Travel		15,213	15,213	9,275	5,938
Supplies and Materials	43,845	116,040	159,885	27,699	132,186
Other Objects	11,000	826	11,826	11,826	
Cleaning, Repair and Maintenance Services		13,376	13,376	13,376	
Total Support Services	747,258	1,157,525	1,904,783	1,270,532	634,251
Facilities Acquisition and Construction Services:					
Facilities		733,552	733,552	276,680	456,872
Instructional Equipment	6,000	169,846	175,846	1,514	174,332
Non-Instructional Equipment		484,036	484,036	484,036	
Total Facilities Acquisition and Construction Services	6,000	1,387,434	1,393,434	762,230	631,204
Total Expenditures	2,488,556	3,392,629	5,881,185	4,059,979	1,821,206
Transfer from General Fund				94,465	94,465
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)				(12,215)	(12,215)
Fund Balances, July 1				23,850	23,850
Fund Balances, June 30				\$ 11,635	\$ 11,635
Recapitulation:					
Restricted:					
Student Activities				\$ 11,635	
Total Fund Balance				\$ 11,635	

**NOTES TO THE REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 22,960,969	[E-1] \$ 3,953,299
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	Prior Year	4,324
	Current Year	(655,442)
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	118,380	109,909
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(83,865)	(113,358)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ 22,995,484	[B-2] \$ 3,298,732
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 20,942,112	[E-1] \$ 4,059,979
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	Prior Year	4,324
	Current Year	(655,442)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2] \$ 20,942,112	[B-2] \$ 3,408,861

REQUIRED SUPPLEMENTARY INFORMATION
PART III

CITY OF VENTNOR SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.016347%	0.016195%	0.016023%	0.017775%	0.014684%	0.014581%	0.015178%	0.016018%	0.016711%	0.014946%
District's Proportionate Share of the Net Pension Liability	\$ 2,466,981	\$ 1,918,538	\$ 2,612,939	\$ 3,202,778	\$ 2,891,239	\$ 3,446,279	\$ 4,495,182	\$ 3,595,750	\$ 3,128,845	\$ 2,856,552
District's Covered-Employee Payroll	\$ 1,400,321	\$ 1,264,451	\$ 1,205,124	\$ 1,151,172	\$ 1,159,677	\$ 1,175,547	\$ 1,045,892	\$ 1,082,892	\$ 1,101,865	\$ 1,143,539
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	176.17%	151.73%	216.82%	278.22%	249.31%	293.16%	429.79%	332.05%	283.96%	249.80%
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%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

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

CITY OF VENTNOR SCHOOL DISTRICT
Schedule of District Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 206,143	\$ 189,662	\$ 175,284	\$ 173,827	\$ 146,659	\$ 139,049	\$ 135,620	\$ 137,713	\$ 137,767	\$ 112,617
Contributions in relation to the Contractually Required Contribution	(206,143)	(189,662)	(175,284)	(173,827)	(146,659)	(139,049)	(135,620)	(137,713)	(137,767)	(112,617)
Contribution Deficiency (Excess)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
District's Covered-Employee Payroll	\$ 1,400,321	\$ 1,264,451	\$ 1,205,124	\$ 1,151,172	\$ 1,159,677	\$ 1,175,547	\$ 1,045,892	\$ 1,082,892	\$ 1,101,865	\$ 1,143,539
Contributions as a Percentage of Covered-Employee Payroll	14.72%	15.00%	14.54%	15.10%	12.65%	11.83%	12.97%	12.72%	12.50%	9.85%

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

CITY OF VENTNOR SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.063331%	0.064422%	0.061976%	0.064951%	0.064915%	0.065551%	0.066391%	0.067570%	0.064478%	0.069027%
District's Proportionate Share of the Net Pension Liability	\$ 32,675,218	\$ 30,971,186	\$ 40,810,339	\$ 39,860,832	\$ 41,297,776	\$ 44,197,100	\$ 42,706,874	\$ 36,100,658	\$ 34,461,363	\$ 34,885,514
District's Covered-Employee Payroll	\$ 7,392,004	\$ 7,480,726	\$ 6,942,995	\$ 7,152,641	\$ 7,075,593	\$ 6,681,950	\$ 6,846,185	\$ 6,824,981	\$ 6,796,398	\$ 6,602,663
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	442.03%	414.01%	587.79%	557.29%	583.67%	661.44%	623.81%	528.95%	507.05%	528.36%
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%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

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

CITY OF VENTNOR SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service Cost	\$ 1,411,033	\$ 1,563,668	\$ 877,885	\$ 842,530	\$ 975,727	\$ 1,167,833
Interest Cost	851,151	941,414	901,875	1,090,992	1,176,030	1,013,316
Changes of Benefit Terms		(38,627)				
Differences Between Expected and Actual Experiences	2,996,731	(6,569,167)	7,251,902	(4,045,150)	(2,763,249)	
Changes of Assumptions	(8,615,825)	35,803	7,502,979	376,237	(3,181,092)	(3,977,305)
Member Contributions	27,047	24,067	21,674	22,961	25,619	27,488
Gross Benefit Payments	(843,090)	(741,571)	(715,081)	(774,599)	(741,242)	(746,491)
Net Change in Total OPEB Liability	(4,172,953)	(4,784,413)	15,841,234	(2,487,029)	(4,508,207)	(2,515,159)
Total OPEB Liability - Beginning	36,290,519	41,074,932	25,233,698	27,720,727	32,228,934	34,744,093
Total OPEB Liability - Ending	\$ 32,117,566	\$ 36,290,519	\$ 41,074,932	\$ 25,233,698	\$ 27,720,727	\$ 32,228,934
Covered-Employee Payroll	\$ 8,792,325	\$ 8,745,177	\$ 8,148,119	\$ 8,303,813	\$ 8,235,270	\$ 7,857,497
Total OPEB Liability as a Percentage of Covered-Employee Payroll	365.29%	414.98%	504.10%	303.88%	336.61%	410.17%

Notes to Schedule:

Changes of Benefit Terms: None

Differences Between Expected and Actual Experiences: The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences. The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes in Assumptions: The increase in the liability from June 30, 2018 to June 30, 2019 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions. The increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	E.S.E.A			IDEA		Climate Awareness Education	Sub-Total Per E-1 (1)
	Title I	Title II A	Title IV	Basic	Preschool		
	2022-23	SIA	2022-23	2022-23	2022-23		
REVENUES:							
Federal Sources	\$ 407,142	\$ 41,767	\$ 86,440	\$ 31,931	\$ 198,633	\$ 8,060	\$ 773,973
State Sources						\$ 5,972	5,972
Local Sources							
Total Revenues	407,142	41,767	86,440	31,931	198,633	8,060	779,945
EXPENDITURES:							
Salaries of Teachers	250,917	24,067					274,984
Other Salaries for Instruction							
Purchased Educational Services						972	972
Tuition					198,633	8,060	206,693
Other Purchased Services (400-500 Series)		4,043					4,043
General Supplies		1,000	409			3,160	4,569
Student Activities							
Total Instruction	250,917	29,110	409	198,633	8,060	4,132	491,261
Support Services:							
Salaries	10,150		500	14,438			25,088
Salaries of Principals							
Salaries of Other Professional Staff							
Salaries - Other							
Salaries of Facilitator/Coach							
Personal Services - Employee Benefits	126,839	12,657	38	1,347			140,881
Purchased Prof/Educational Services							
Purchased Property Services							
Other Purchased Services (400-500 Series)	18,716		82,125	10,295			111,136
Travel						1,840	1,840
Supplies and Materials	520		3,777	5,442			9,739
Other Objects							
Cleaning, Repair and Maintenance Services							
Total Support Services	156,225	12,657	86,440	31,522		1,840	288,684
Facilities Acquisition/Construction:							
Facilities							
Instructional Equipment							
Non-Instructional Equipment							
Total Facilities Acquisition/Construction							
Total Expenditures	407,142	41,767	86,440	31,931	198,633	8,060	779,945
Excess (Deficiency) of Revenues Over Expenditures							
Transfer from General Fund							
Net Excess of Revenues over Expenditures							
Fund Balances, July 1							
Fund Balances, June 30							

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	Equalization Stabilization Fund							Preschool	SDA Emergent Needs	Student Activities	Sub-Total Per E-1 (2)	Totals	
	CRRSA		ARP									2023	2022
	CRRSA/ ESSER II	CRRSA/ Learning ACC	CRRSA/ ESSRII Ment Hlth	ARP ESSER III	ARP ESSR - ACCEL	ARP ESSR - Bynd Sch	ARP Mental Health						
REVENUES:													
Federal Sources	\$847,656	\$ 24,805	\$ 2,948	\$1,096,332	\$ 28,758	\$ 8,242	\$ 45,000				\$ 2,053,741	\$2,827,714	\$1,095,996
State Sources								\$ 1,090,158	\$ 13,376		1,103,534	1,109,506	988,211
Local Sources										\$ 16,079	16,079	16,079	7,304
Total Revenues	847,656	24,805	2,948	1,096,332	28,758	8,242	45,000	1,090,158	13,376	16,079	3,173,354	3,953,299	2,091,511
EXPENDITURES:													
Instruction:													
Salaries of Teachers	298,844	19,944		118,372	3,700	750		586,311			274,984	1,302,905	802,036
Other Salaries for Instruction								251,370				251,370	232,770
Purchased Educational Services											972	972	
Tuition											206,693	206,693	7,561
Other Purchased Services (400-500 Series)		800									4,043	5,276	213,834
General Supplies	15,000			177,656				34,482			4,569	231,707	230,397
Student Activities										28,294		28,294	8,658
Total Instruction	313,844	20,744		296,028	3,700	750		872,596		28,294	491,261	2,027,217	1,486,598
Support Services:													
Salaries	48,000			60,171							25,088	133,259	55,847
Salaries of Principals								21,025				21,025	19,167
Salaries of Other Professional Staff								40,455				40,455	37,588
Salaries - Secretarial & Clerical								10,386				10,386	
Salaries of Facilitator/Coach								25,687				25,687	23,615
Personal Services - Employee Benefits	296,931	121		57,079	283	57		189,724			140,881	685,076	319,032
Purchased Prof/Educational Services				94,257	24,775			108				119,140	105,131
Purchased Property Services								9,504				9,504	
Other Purchased Services (400-500 Series)		3,940	2,948					800			111,136	163,824	51,537
Travel											1,840	9,275	
Supplies and Materials	13,361			2,087		7,435		2,512			9,739	27,699	61,748
Other Objects								11,826				11,826	
Cleaning, Repair and Maintenance Services									13,376			13,376	8,868
Total Support Services	358,292	4,061	2,948	213,594	25,058	7,492	45,000	312,027	13,376		288,684	1,270,532	691,191
Facilities Acquisition/Construction:													
Facilities				276,680								276,680	
Instructional Equipment				1,514								1,514	
Non-Instructional Equipment	175,520			308,516								484,036	
Total Facilities Acquisition/Construction	175,520			586,710								762,230	
Total Expenditures	847,656	24,805	2,948	1,096,332	28,758	8,242	45,000	1,184,623	13,376	28,294	779,945	4,059,979	2,177,789
Excess (Deficiency) of Revenues Over Expenditures								(94,465)		(12,215)		(106,680)	(86,278)
Transfer from General Fund								94,465				94,465	84,924
Net Excess of Revenues over Expenditures								\$		(12,215)		(12,215)	(1,354)
Fund Balances, July 1										23,850		23,850	
Fund Balances, June 30										\$ 11,635		\$ 11,635	\$ 27,153

**CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
Special Revenue Fund
Statement of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2023**

	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 586,311	\$ 586,311	\$
Other Salaries for Instruction	255,048	251,370	3,678
Other Purchased Services	5,100	433	4,667
Supplies and Materials	36,863	34,482	2,381
Total instruction	883,322	872,596	10,726
Support services:			
Salaries			
Salaries of Principals	21,025	21,025	
Salaries of Other Professional Staff	43,580	40,455	3,125
Salaries - Other	10,386	10,386	
Salaries of Masters teachers	26,415	25,687	728
Personal Services - Employee Benefits	189,724	189,724	
Purchased Professional Educational Services	3,878	108	3,770
Purchased Property Services	9,504	9,504	
Other Purchased Services	4,800	800	4,000
Supplies and materials	14,294	2,512	11,782
Other Objects	11,826	11,826	
Total support services	335,432	312,027	23,405
Facilities Acquisition and Construction:			
Instructional Equipment	6,000		6,000
	6,000		6,000
Total expenditures	\$ 1,224,754	\$ 1,184,623	\$ 40,131

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2022-2023 Preschool Education Aid Allocation	\$ 1,133,580
Add: Actual ECPA/PEA Carryover (June 30, 2022)	37,465
Prior Year Adjustment	
Add: Budgeted Transfer from the General Fund 2022-2023	94,465
Total Preschool Education Aid Funds Available for 2022-2023 Budget	1,265,510
Less: 2022-2023 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(1,224,754)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	40,756
Add: June 30, 2023 Unexpended Preschool Education Aid	40,131
2022-2023 Carryover - Preschool Education Aid Programs	\$ 80,887
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2023-2024	\$ 37,465
Note: Since the 2022-2023 Actual Carryover is more than the amount budgeted in 2023-2024, the District should consider revising the 2023-24 Budget or appropriating this amount in the 2023-2024 School Year Preschool Education Program Budget by amendment.	\$ 43,422

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Cancelled</u>	<u>Unexpended Balance June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>		
School Windows, Roof and Other Exterior Replacement	2017-18	\$ 1,863,076	\$ 1,687,969	\$	\$ (175,107)	\$
Various Renovations and Equipment	2018-19	9,318,480	9,154,893	(826)	(164,413)	
		<u>\$ 11,181,556</u>	<u>\$ 10,842,862</u>	<u>\$ (826)</u>	<u>\$ (339,520)</u>	<u>\$</u>

EXHIBIT F-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**Revenues and Other Financing
Sources**

Type 1 Bond Proceeds - Due from City of Ventnor	\$	3,409
Total Revenues		<u>3,409</u>

Expenditures and Other Financing Uses

Purchased Professional and Technical Services		335
Construction Services		
Total Expenditures		<u>335</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures

Fund Balance - Beginning		336,446
Less: Cancellation Transferred to General Fund		<u>(339,520)</u>

Fund Balance - Ending	\$	<u><u> </u></u>
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CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES
VARIOUS RENOVATIONS
PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023

	Prior Periods	Cancelled Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Designated Fund Balance	\$ 68,601	\$	\$ 68,601	\$ \$68,601
Transfer from Capital Outlay	794,475		794,475	794,475
Transfer from Capital Reserve Funds	1,000,000	(175,107)	824,893	824,893
Total Revenues	1,863,076	(175,107)	1,687,969	1,687,969
Expenditures and Other Financing Uses				
Architectural Costs	73,100		73,100	76,392
Construction Services	1,614,869		1,614,869	1,786,684
Total Expenditures	1,687,969		1,687,969	1,863,076
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 175,107	\$ (175,107)	\$	\$
Additional Project Information:				
Total Projected Cost	\$1,863,076			
Percentage Completion	100%			
Original Target Completion Date	9/1/2017			
Revised Target Completion Date	9/1/2021			

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS - BUDGETARY BASIS
VARIOUS RENOVATIONS AND EQUIPMENT
AT VENTNOR EDUCATIONAL COMPLEX
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023

	<u>Prior</u>		<u>Current</u>		<u>Cancelled</u>		<u>Totals</u>		<u>Revised</u>
	<u>Periods</u>		<u>Year</u>		<u>Cancelled</u>		<u>Totals</u>		<u>Authorized</u>
									<u>Cost</u>
Revenues and Other Financing Sources									
Bond Proceeds and Transfers	\$ 9,315,071	\$	3,409	\$	(164,413)	\$	9,154,067	\$	9,315,071
Total Revenues and Other Financing Sources	<u>9,315,071</u>		<u>3,409</u>		<u>(164,413)</u>		<u>9,154,067</u>		<u>9,315,071</u>
Expenditures and Other Financing Uses									
Purchased Professional and Technical Services	2,718,680		335				2,719,015		3,444,052
Construction Services	6,436,213		(1,161)				6,435,052		5,871,019
Total Expenditures and Other Financing Uses	<u>9,154,893</u>		<u>(826)</u>				<u>9,154,067</u>		<u>9,315,071</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 160,178	\$	4,235	\$	(164,413)	\$		\$	

Additional project information:

DOE Project Number	4075-050-14-1010
Bond Authorization Date	N/A
Bonds Authorized	7/12/2018
Bonds Issued	
Notes Authorized	\$9,315,071
Original Authorization Cost	\$9,315,071
Revised Authorized Cost	\$9,315,071
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2023
Revised Target Completion Date	6/30/2023

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the district’s board is that the costs of providing goods or services be financed through user charges.

Food Services Fund – This fund provides for the operation of food services in all schools within the school district.

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2023 AND 2022

	<u>Food Service Enterprise Fund</u>	<u>After School Program</u>	<u>Totals</u>	
			<u>2023</u>	<u>2022</u>
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 51,882	\$ 138,514	\$ 190,396	\$ 285,959
Accounts Receivable:				
State	193		193	490
Federal	8,286		8,286	54,989
Interfund Accounts Receivable	41,573		41,573	
Inventory	2,931		2,931	2,206
Total Current Assets	<u>104,865</u>	<u>138,514</u>	<u>243,379</u>	<u>343,644</u>
Fixed Assets:				
Equipment	178,211		178,211	178,211
Accumulated Depreciation	(157,395)		(157,395)	(154,099)
Total Fixed Assets	<u>20,816</u>		<u>20,816</u>	<u>24,112</u>
Total Assets	<u>125,681</u>	<u>138,514</u>	<u>264,195</u>	<u>367,756</u>
LIABILITIES:				
Current Liabilities:				
Accounts Payable				21
Interfund Payable				68,427
Unearned Revenue	3,247		3,247	2,552
Total Current Liabilities	<u>3,247</u>		<u>3,247</u>	<u>71,000</u>
NET POSITION:				
Invested in Capital Assets Net of Related Debt	20,816		20,816	24,112
Unrestricted	101,618	138,514	240,132	272,644
Total Net Position	<u>\$ 122,434</u>	<u>\$ 138,514</u>	<u>\$ 260,948</u>	<u>\$ 296,756</u>

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2023 AND 2022

	Food Service Enterprise Fund	After School Program	Totals	
			2023	2022
OPERATING REVENUES:				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$ 35,861	\$	\$ 35,861	\$
School Breakfast Program	19,358		19,358	
Total Daily Sales - Reimbursable Programs	55,219		55,219	
Daily Sales Non-Reimbursable Programs	18,213		18,213	53,563
Miscellaneous	1,817		1,817	
Program Fees		17,915	17,915	18,491
Total Operating Revenue	75,249	17,915	93,164	72,054
OPERATING EXPENSES:				
Salaries	154,181	5,408	159,589	151,197
Employee Benefits	53,216	414	53,630	52,352
Other Purchases Services	13,760		13,760	9,587
Cost of Sales -Reimbursable Programs	118,112		118,112	178,102
Cost of Sales - Non Reimbursable Programs	677		677	
Depreciation	3,296		3,296	3,794
Other Costs	15,067	2,848	17,915	24,798
Total Operating Expenses	358,309	8,670	366,979	419,830
Operating Income (Loss)	(283,060)	9,245	(273,815)	(347,776)
Non-Operating Revenues:				
State Sources:				
State School Breakfast Program	492		492	
State School Lunch Program	4,151		4,151	5,802
Federal Sources:				
SFSP - Food	1,073		1,073	5,388
SFSP - Admin	106		106	562
School Breakfast Program	37,827		37,827	198,132
National School Lunch Program	143,917		143,917	247,157
National School Snack Program	3,708		3,708	3,021
Emergency Operational Cost Program - Schools				26,308
P-EBT Administrative Cost Reimbursement	653		653	1,242
Supply Chain Assistance Funding	24,300		24,300	15,875
Food Distribution Program	21,780		21,780	21,846
Total Non-Operating Revenues	238,007		238,007	525,333
Net Income before Operating Transfers	(45,053)	9,245	(35,808)	177,557
Net Income	(45,053)	9,245	(35,808)	177,557
Net Position - July 1	167,487	129,269	296,756	119,199
Net Position - June 30	\$ 122,434	\$ 138,514	\$ 260,948	\$ 296,756

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2023 AND 2022

	Food Service Enterprise Fund	After School Program	Totals	
			2023	2022
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 75,249	\$ 17,915	\$ 93,164	\$ 72,054
Payments to Employees	(154,181)	(5,408)	(159,589)	(151,197)
Payments for Employee Benefits	(53,216)	(414)	(53,630)	(52,352)
Payments to Suppliers	(188,887)	(2,848)	(191,735)	(209,574)
Net Cash Provided by (Used for) Operating Activities	(321,035)	9,245	(311,790)	(341,069)
Cash Flows from Non-Capital Financing Activities				
State Sources	4,643		4,643	5,802
Federal Sources	211,584		211,584	497,685
Net Cash Provided by (Used for) Operating Activities	216,227		216,227	503,487
Cash Flows from Capital and Related Financing Activities				
Purchases of Equipment				
Sale of Equipment				
Net Cash Provided by (Used for) Capital and Related Financing Activities				
Cash Flows from Investing Activities				
Net Cash Provided by (Used for) Investing Activities				
Net Increase (Decrease) in Cash and Cash Equivalents	(104,808)	9,245	(95,563)	162,418
Balances - Beginning of Year	156,690	129,269	285,959	123,541
Balances - End of Year	\$ 51,882	\$ 138,514	\$ 190,396	\$ 285,959
Operating Income (Loss)				
Operating Income (Loss)	\$ (283,060)	\$ 9,245	\$ (273,815)	\$ (347,776)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	3,296		3,296	3,794
Food Distribution Program	21,780		21,780	21,846
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	47,000		47,000	(18,941)
(Increase)/Decrease in Inventory	(725)		(725)	
Increase/(Decrease) in Accounts Payable	(21)		(21)	8
Increase/(Decrease) in Interfund Payable	(110,000)		(110,000)	
Increase/(Decrease) in Unearned Revenue	695		695	
Total Adjustments	(37,975)		(37,975)	6,707
Net Cash Used by Operating Activities	\$ (321,035)	\$ 9,245	\$ (311,790)	\$ (341,069)

STATISTICAL SECTION

CITY OF VENTNOR SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental Activities										
Invested in Capital Assets, Net of Related Debt \$	16,591,987	17,943,708	18,685,560	18,072,989	18,962,359	19,985,123	23,093,457	23,532,807	24,100,367	22,335,293
Restricted	694,732	1,945,538	2,703,759	3,090,306	3,376,600	11,705,857	8,209,811	6,790,323	4,903,937	6,315,149
Unrestricted (Deficit)	361,345	(1,707,095)	(2,976,762)	(3,209,936)	(3,095,504)	(3,186,685)	(3,161,721)	(2,590,424)	(2,361,104)	(1,889,024)
Total Governmental Activities Net Position	\$ 17,648,064	18,182,151	18,412,557	17,953,359	19,243,455	28,504,295	28,141,547	27,732,706	26,643,200	26,761,418
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt \$	23,887	20,370	20,179	18,053	37,650	42,709	35,308	27,906	24,112	20,816
Restricted										
Unrestricted	(25,920)	41,461	96,017	152,723	140,490	136,326	107,532	91,293	272,644	240,132
Total Business-Type Activities Net Position	\$ (2,033)	61,831	116,196	170,776	178,140	179,035	142,840	119,199	296,756	260,948
District-Wide										
Invested in Capital Assets, Net of Related Debt \$	16,615,874	17,964,078	18,705,739	18,091,042	19,000,009	20,027,832	23,128,765	23,560,713	24,124,479	22,356,109
Restricted	694,732	1,945,538	2,703,759	3,090,306	3,376,600	11,705,857	8,209,811	6,790,323	4,903,937	6,315,149
Unrestricted (Deficit)	335,424	(1,665,634)	(2,880,745)	(3,057,213)	(2,955,014)	(3,050,359)	(3,054,189)	(2,499,131)	(2,088,460)	(1,648,892)
Total District-Wide Net Position	\$ 17,646,030	18,243,982	18,528,753	18,124,135	19,421,595	28,683,330	28,284,387	27,851,905	26,939,956	27,022,366

Source: ACFR Schedule A-1

**CITY OF VENTNOR SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental Activities										
Instruction										
Regular	\$ 7,097,968	7,218,412	5,962,105	8,302,665	7,945,215	8,082,542	7,917,234	8,092,051	7,555,041	7,654,925
Special Education	1,020,838	1,036,022	1,099,632	1,522,699	1,520,869	1,797,174	1,651,236	1,778,709	1,590,731	1,509,650
Other Special Education	622,449	628,315	459,904	425,794	304,093	294,844	527,559	500,402	606,276	586,523
Other Instruction	90,579	63,049	81,033	49,586	52,574	71,274	69,815	597,909	83,083	87,792
Non-Public Programs										
Support Services										
Tuition	7,932,062	8,845,367	9,246,032	8,866,422	6,843,330	5,200,744	5,400,241	6,880,479	5,296,371	3,882,183
Student and Instruction Related Services	1,597,501	1,893,600	2,003,223	1,266,564	2,343,817	2,378,735	2,152,186	2,237,467	2,213,708	2,704,772
General Administrative Services	428,347	409,095	542,422	455,704	557,481	495,179	510,015	544,633	508,055	461,948
School Administrative Services	575,111	808,715	672,324	662,724	707,633	592,616	568,316	452,440	393,022	396,588
Business Administrative Services	1,413,150	1,621,136	1,606,723	1,258,626	445,894	413,201	397,386	393,749	459,468	417,285
Plant Operations and Maintenance	1,174,180	1,268,368	1,369,019	1,185,551	1,366,676	1,381,462	1,312,865	1,512,667	1,669,028	1,646,445
Pupil Transportation	360,038	385,652	408,241	402,118	929,433	1,138,476	1,092,924	1,052,706	1,158,317	1,233,938
Interest Expense	186,797	529,607	496,508	535,342	37,424	41,174	41,174	41,174	41,174	41,174
Total Governmental Activities Expenses	22,499,020	24,507,338	23,947,166	24,933,795	23,054,439	21,887,421	21,640,951	24,084,386	21,574,274	20,623,223
Business-Type Activities										
After School Programs	17,741	9,010	19,458	25,321	16,288	20,114	10,176	1,465	12,750	8,670
Food Service	448,161	404,519	367,810	354,921	351,612	344,712	292,824	300,669	407,080	358,309
Total Business-Type Activities Expense	465,902	413,529	387,268	380,242	367,900	364,826	303,000	302,134	419,830	366,979
Total District Expenses	22,964,922	24,920,867	24,334,434	25,314,037	23,422,339	22,252,247	21,943,951	24,386,520	21,994,104	20,990,202
Program Revenues										
Governmental Activities										
Charge for Services	315,243	343,843	264,733	205,447	294,265	625,737	199,335	230,972	471,307	417,067
Operating Grants and Contributions	1,272,204	4,529,328	4,338,848	4,247,639	1,273,779	1,282,239	1,588,655	2,021,859	1,717,962	2,535,883
Total Gov't Activities Program Rev.	1,587,447	4,873,171	4,603,581	4,453,086	1,568,044	1,907,976	1,787,990	2,252,831	2,189,269	2,952,950
Business-Type Activities										
Charges for Services										
Fees for After School Program	29,798	36,714	41,529	49,889	21,201	27,566	18,755	1,425	18,491	17,915
Food Service	88,163	124,209	124,381	118,441	117,920	107,728	64,556	31,091	53,563	75,249
Operating Grants and Contributions	301,031	286,157	299,034	269,820	237,178	230,427	183,494	245,977	525,333	238,007
Total Bus.-Type Activities Prog. Rev.	418,992	447,080	464,944	438,150	376,299	365,721	266,805	278,493	597,387	331,171
Total District Program Revenues	\$ 2,006,439	5,320,251	5,068,525	4,891,236	1,944,343	2,273,697	2,054,795	2,531,324	2,786,656	3,284,121
Net (Expense)/Revenue										
Governmental Activities	\$ (20,911,573)	(19,634,167)	(19,343,585)	(20,480,709)	(21,486,395)	(20,279,445)	(19,852,961)	(21,831,555)	(19,385,005)	(17,670,273)
Business-Type Activities	(46,910)	33,551	77,676	57,908	8,399	895	(36,195)	(23,641)	177,557	(35,808)
Total District-Wide Net Expense	\$ (20,958,483)	(19,600,616)	(19,265,909)	(20,422,801)	(21,477,996)	(20,278,550)	(19,889,156)	(21,855,196)	(19,207,448)	(17,706,081)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied - General Purp.	\$ 17,483,143	17,819,977	17,819,977	17,734,656	17,705,694	16,405,694	16,400,478	17,382,698	16,782,698	16,622,500
Unrestricted Grants and Contributions	3,332,550	2,200,176	2,182,846	2,190,955	5,518,620	3,971,877	3,217,141	4,001,727	1,660,473	1,285,322
Miscellaneous Income	75,316	58,464	159,902	25,122	5,736	149,270	80,862	90,673	84,630	253,502
Investment Income										
Rents and Royalties	12,874	69,950	54,571	70,775	72,995	77,878	48,000	52,100	26,100	40,000
Bond Proceeds										
Special Items						9,315,071				
Loss on the Disposal of Fixed Assets	(9,621)	19,686			(34,179)					
Transfer to Charter Schools					(492,374)	(379,505)	(256,268)	(132,991)	(258,402)	(412,833)
Cancellation of Prior Year Receivable			(127,921)							
Close Out Capital Projects			(527,874)							
Cancellation of Prior Year Payables			12,490							
Total Governmental Activities	20,894,262	20,168,253	19,573,991	20,021,508	22,776,492	29,540,285	19,490,213	21,394,207	18,295,499	17,788,491
Business-Type Activities										
Transfers		30,314								
Fixed Asset Adjustment					(1,035)					
Cancellation of Prior Year Receivable			(23,312)	(3,327)						
Total Business-Type Activities		30,314	(23,312)	(3,327)	(1,035)					
Total District-Wide	\$ 20,894,262	20,198,567	19,550,679	20,018,181	22,775,457	29,540,285	19,490,213	21,394,207	18,295,499	17,788,491
Change in Net Position										
Governmental Activities	\$ (17,311)	534,086	230,406	(459,201)	1,290,097	9,260,840	(362,748)	(437,348)	(1,089,506)	118,218
Business-Type Activities	(46,910)	63,865	54,364	54,581	7,364	895	(36,195)	(23,641)	177,557	(35,808)
Total District-Wide	\$ (64,221)	597,951	284,770	(404,620)	1,297,461	9,261,735	(398,943)	(460,989)	(911,949)	82,410

Source: ACFR Schedule A-2

CITY OF VENTNOR SCHOOL DISTRICT
FUND BALANCES-GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (UNAUDITED)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Restricted	\$ 1,484,060	\$ 1,220,529	\$ 1,066,677	\$ 1,788,613	\$ 2,924,601	\$ 3,079,562	\$ 3,486,391	\$ 3,680,659	\$ 4,293,641	\$ 6,103,514
Committed	259,700	717,402	1,109,700	1,294,844						
Assigned	18,846	7,607	527,382	6,849	199,926	112,521	600,713	988,152	377,286	328,168
Unassigned	315,523	345,085	346,116	312,803	309,558	304,757	314,942	675,774	699,161	824,000
Total General Fund	<u>2,078,129</u>	<u>2,290,623</u>	<u>3,049,875</u>	<u>3,403,109</u>	<u>3,434,085</u>	<u>3,496,840</u>	<u>4,402,046</u>	<u>5,344,585</u>	<u>5,370,088</u>	<u>7,255,682</u>
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund								27,153	23,850	11,635
Assigned, Reported in:										
Capital Projects Fund					167,775	4,108,381	2,072,560	2,135,615	1,161	
Committed - Capital Projects Fund					284,224	4,517,914	2,277,818	246,896	335,285	
Unassigned, Reported in:										
Special Revenue Fund (Deficit)	(20,026)	(12,335)	(16,405)	(9,747)	(74,123)	(75,586)	(93,557)	(97,760)	(109,909)	(113,358)
Capital Projects Fund		1,040,438	71	68,600						
Total All Other Governmental Funds	<u>\$ (20,026)</u>	<u>\$ 1,028,103</u>	<u>\$ (16,334)</u>	<u>\$ 58,853</u>	<u>\$ 377,876</u>	<u>\$ 8,550,709</u>	<u>\$ 4,256,821</u>	<u>\$ 2,311,904</u>	<u>\$ 250,387</u>	<u>\$ (101,723)</u>

Source: ACFR Schedule B-1

CITY OF VENTNOR SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (UNAUDITED)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 17,483,143	17,819,977	17,819,977	17,734,656	17,705,694	16,405,694	16,400,478	17,382,698	16,782,698	16,622,500
Other Tuition	1,733	61,995	37,531	23,786		46,035	15,366		159,569	33,391
Transportation	313,510	281,848	227,202	181,661	294,265	279,702	183,969	223,668	292,422	400,988
Rents and Royalties	12,874	69,950	54,571	70,775	72,995	77,878	48,000	52,100	26,100	40,000
Miscellaneous	75,316	58,464	159,902	25,122	5,736	149,270	80,862	97,977	103,946	236,190
State Sources	3,575,451	4,430,078	4,427,877	4,111,279	4,914,761	5,232,193	5,503,230	5,854,948	6,679,749	6,769,943
Federal Sources	1,029,303	818,079	795,502	777,295	776,289	819,083	826,504	1,292,931	1,311,730	2,194,613
Total Revenues	22,491,330	23,540,391	23,522,562	22,924,574	23,769,740	23,009,855	23,058,409	24,904,322	24,904,322	26,297,625
Expenditures										
Instruction										
Regular Instruction	5,636,593	5,643,169	5,576,035	5,769,282	5,413,100	5,591,385	5,601,595	5,808,904	5,640,882	5,939,898
Special Education Instruction	805,781	762,289	764,148	1,005,270	1,013,168	1,309,864	1,230,184	1,273,073	1,202,338	1,170,804
Other Special Instruction	491,320	462,304	319,593	264,255	203,917	212,352	402,902	361,241	458,248	454,876
Other Instruction	71,497	46,390	56,311	49,586	52,574	54,662	55,342	17,473	62,797	68,087
Support Services										
Instruction	6,261,039	6,508,286	6,470,159	5,853,516	4,588,963	3,988,618	4,280,758	5,305,883	4,628,153	3,493,631
Student and Instruction Related Services	1,260,961	1,393,282	1,392,065	1,266,564	1,593,791	1,734,361	1,606,141	1,602,200	1,663,135	2,093,558
School Administrative Services	453,955	447,883	467,206	473,384	584,775	531,538	517,527	389,195	430,630	358,262
General Administrative Services	338,108	301,006	376,936	325,510	562,584	542,110	566,206	572,436	597,725	631,197
Business Administrative Services	1,115,446	1,192,807	1,116,532	1,258,626						
Plant Operations and Maintenance	926,819	933,246	951,348	901,615	1,366,676	1,340,460	1,312,865	1,512,667	1,676,128	1,646,445
Pupil Transportation	284,190	283,757	283,692	287,233	929,433	1,138,476	1,092,924	1,052,706	1,158,317	1,233,938
Unallocated Employee Benefits	3,835,173	3,971,506	3,968,158	4,343,245	4,532,196	5,043,527	5,170,914	5,827,993	7,112,071	7,073,591
Capital Outlay	578,946	2,398,512	1,422,259	698,070	2,086,190	2,222,480	4,353,465	2,078,445	2,503,402	187,021
Total Expenditures	22,059,828	24,344,437	23,164,442	22,496,156	22,927,367	23,709,833	26,190,823	25,802,216	27,133,826	24,351,308
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	431,502	(804,046)	358,120	428,418	842,373	(699,978)	(3,132,414)	(897,894)	(897,894)	1,946,317
Other Financing Sources (Uses)										
Capital Leases (non-budgeted)										
Cancellation of Prior Year Payable			12,490							
Cancellation of Prior Year Receivable			(127,921)							
Close Out Capital Projects			(527,874)							
Transfer to Charter School					(492,374)	(379,505)	(256,268)	(132,991)	(132,991)	(412,833)
Bond/Lease Proceeds	2,100,000					9,315,071				
Total Other Financing Sources (Uses)	2,100,000		(643,305)		(492,374)	8,935,566	(256,268)	(132,991)	(132,991)	(412,833)
Net Change in Fund Balances	\$ 2,531,502	(804,046)	(285,185)	428,418	349,999	8,235,588	(3,388,682)	(1,030,885)	(1,030,885)	1,533,484
Debt Service as a Percentage of										
Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

CITY OF VENTNOR SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Transportation</u> <u>Fees</u>	<u>Rents and</u> <u>Royalties</u>	<u>Miscellaneous</u>	<u>Total</u>
2023	\$ 124,338	\$ 33,391	\$ 400,988	\$ 40,000	\$ 92,364	\$ 691,081
2022	14,437	159,569	292,422	26,100	70,193	562,721
2021	42,511		223,668	52,100	48,162	366,441
2020	42,989	15,366	183,969	48,000	37,873	328,197
2019	59,716	46,035	279,702	77,878	89,554	552,885
2018	27,919		294,265	72,995	(22,183)	372,996
2017	8,951	23,786	181,661	70,775	16,171	301,344
2016	4,549	37,531	227,202	54,571	155,353	479,206
2015	4,251	61,995	281,848	69,950	54,213	472,257
2014	12,874	1,733	313,510	12,874	75,316	416,307

Source: District Records

CITY OF VENTNOR SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual County Equalized Value
2023	\$ 27,322,600	\$ 2,019,296,700	\$ 69,508,100	\$ 1,428,400	\$ 15,824,100	\$ 2,133,379,900	\$	\$ 2,133,379,900	\$ 0.839	\$ 2,576,545,773
2022	32,985,180	1,976,226,100	68,756,300	1,428,400	16,156,000	2,095,551,980		2,095,551,980	0.857	2,284,617,604
2021	33,367,300	1,940,341,300	74,163,800	1,428,400	16,156,000	2,065,456,800		2,065,456,800	0.893	2,132,634,796
2020	35,915,000	1,914,392,400	73,750,200	1,428,400	16,055,000	2,041,541,000		2,041,541,000	0.894	2,143,204,136
2019	37,284,100	1,899,069,000	74,391,400	1,428,400	16,352,400	2,028,525,300		2,028,525,300	0.877	2,212,899,576
2018	37,900,300	1,892,074,100	74,836,100	1,428,400	16,352,400	2,022,591,300		2,022,591,300	0.914	2,175,267,199
2017	37,900,300	1,886,825,600	74,836,100	1,428,400	16,352,400	2,017,342,800		2,017,342,800	0.945	2,099,867,597
2016	54,030,900	2,209,240,950	80,962,400	1,604,100	16,162,400	2,362,000,750		2,362,000,750	0.813	2,245,034,455
2015	57,341,700	2,244,666,750	80,033,600	1,604,100	15,525,300	2,399,171,450	1,862,937	2,401,034,387	0.742	2,306,008,699
2014	55,587,800	2,305,924,150	80,719,500	1,604,100	16,553,400	2,460,388,950	1,784,440	2,462,173,390	0.777	2,354,489,177

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

c Estimate

**CITY OF VENTNOR SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (Rate Per \$100 of Assessed Value)
 (UNAUDITED)**

Year Ended June 30,	Ventnor School District			Overlapping Rates		
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	City of Ventnor	Atlantic County	Total
2023	\$ 0.839	\$ 0.000	\$ 0.839	\$ 1.223	\$ 0.599	\$ 2.661
2022	0.857	0.000	0.857	1.146	0.569	2.572
2021	0.893	0.000	0.893	1.135	0.560	2.588
2020	0.827	0.067	0.894	1.135	0.562	2.591
2019	0.808	0.069	0.877	1.118	0.590	2.585
2018	0.844	0.070	0.914	1.121	0.599	2.634
2017	0.876	0.069	0.945	1.012	0.837	3.788
2016	0.754	0.059	0.813	1.012	0.846	3.799
2015	0.683	0.059	0.742	0.984	0.802	3.732
2014	0.717	0.060	0.777	0.998	1.255	4.113

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

CITY OF VENTNOR SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Ventnor Plaza LLC	\$ 9,509,900	0.446%	\$	
Ventnor Loan LLC			15,383,100	0.61%
Seascape Villa LLC	5,044,000	0.236%	4,529,300	0.18%
Taxpayer #1	4,908,200	0.230%	5,750,000	0.23%
Taxpayer #2	3,557,900	0.167%	4,200,000	0.17%
Taxpayer #3	3,438,200	0.161%	3,500,000	0.14%
111 S Cornwell Assoc LLC	3,445,600	0.162%	3,534,500	0.14%
Monopoly Property Holdings, LLC	3,709,800	0.174%		
Santucket LLC	3,255,900	0.153%		
TJM Investments Holdings LLC	3,600,800	0.169%		
Taxpayer #4	3,267,200	0.153%	3,000,000	0.12%
Taxpayer #5			2,900,000	0.12%
Taxpayer #6			2,650,300	0.11%
Taxpayer #7			2,500,000	0.10%
Total	\$ 36,869,500	1.73%	\$ 47,947,200	1.92%

Source: District ACFR & Municipal Tax Assessor

CITY OF VENTNOR SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2023	\$ 17,382,698	\$ 17,382,698	100.00%	\$
2022	16,782,698	16,782,698	100.00%	
2021	17,382,698	17,382,698	100.00%	
2020	16,400,478	16,400,478	100.00%	
2019	16,405,694	16,405,694	100.00%	
2018	17,705,694	16,230,219	91.67%	1,475,475
2017	17,734,656	17,734,656	100.00%	
2016	17,819,977	17,819,977	100.00%	
2015	17,819,977	17,819,977	100.00%	
2014	17,483,143	17,483,143	100.00%	

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

Note: 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, the amount voted upon or certified prior to the end of the school year.

CITY OF VENTNOR SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2014	\$ 10,053,000	\$ 2,164,650	\$	\$	\$ 12,217,650	2.699%	\$ 1,165	
2015	8,763,000	1,694,548			10,457,548	2.298%	1,011	
2016	7,638,000	744,454			8,382,454	1.840%	823	
2017	6,093,000	320,102			6,413,102	1.396%	646	
2018	4,875,000				4,875,000	1.044%	502	
2019	4,055,000				4,055,000	0.861%	441	
2020	2,800,000				2,800,000	0.610%	340	
2021	8,810,000				8,810,000	1.775%	1,035	
2022	8,810,000				8,810,000	1.632%	953	
2023	8,625,000				8,625,000	1.595%	932	

Source: District ACFR Schedules I-2

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2014	\$ 10,053,000	\$	\$ 10,053,000	0.50%	\$ 960
2015	8,763,000		8,763,000	0.47%	848
2016	7,638,000		7,638,000	0.44%	751
2017	6,093,000		6,093,000	0.41%	605
2018	4,875,000		4,875,000	0.36%	477
2019	4,055,000		4,055,000	0.32%	410
2020	2,800,000		2,800,000	0.38%	284
2021	8,810,000		8,810,000	0.14%	957
2022	8,810,000		8,810,000	0.02%	967
2023	8,625,000		8,625,000	0.40%	937

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

If a District has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

CITY OF VENTNOR SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
City of Ventnor	\$ 41,349,481	100.00%	\$ 41,349,481
Other Debt			
Atlantic County as of December 31, 2022	215,921,221	6.47%	13,971,665
Subtotal, Overlapping Debt			55,321,146
CITY OF VENTNOR School District Direct Debt			b 8,625,000
Total Direct and Overlapping Debt			\$ 63,946,146

Sources: Atlantic County Board of Taxation

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Commercial. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

b Type I School District Debt

**CITY OF VENTNOR SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis	
	2022	\$ 2,530,859,879
	2021	2,249,217,903
	2020	2,107,941,146
	[A]	\$ 6,888,018,928
Average Equalized Valuation of Taxable Property	[A/3]	\$ 2,296,006,309
Debt Limit (3% of Average Equalization Value)	[B]	\$ 68,880,189 ^a
Net Bonded School Debt	[C]	8,625,000
Legal Debt Margin	[B-C]	\$ 60,255,189

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt Limit	\$ 75,575,008	\$ 72,650,869	\$ 70,443,638	\$ 68,187,672	\$ 66,291,853	\$ 65,518,602	\$ 65,050,892	\$ 64,377,631	\$ 64,839,417	68,880,189
Total Net Debt Applicable to Limit	10,053,000	8,763,000	7,683,000	6,093,000	4,875,000	4,055,000	2,800,000	900,000	8,810,000	8,625,000
Legal Debt Margin	\$ 65,522,008	\$ 63,887,869	\$ 62,760,638	\$ 62,094,672	\$ 61,416,853	\$ 61,463,602	\$ 62,250,892	\$ 63,477,631	\$ 56,029,417	60,255,189
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13%	12%	11%	9%	7%	6%	4%	1%	14%	13%

Source: Abstract of Ratables and District Records ACFR Schedule J-7

^a Limit set by NJSA 18A:24-19 for a K through 8 District; other % limits would be applicable for other Districts

CITY OF VENTNOR SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population</u> ^a	<u>Personal Income (thousands of dollars)</u> ^b	<u>Per Capita Personal Income</u> ^c	<u>Unemployment Rate</u> ^d
2023 *	9,255	\$ 540,753,281	\$ 58,427	4.4%
2022	9,246	539,673,394	58,368	4.0%
2021	9,203	496,429,617	58,310	8.7%
2020	9,872	459,272,242	55,802	18.0%
2019	9,894	470,848,648	51,247	4.3%
2018	9,984	467,149,213	48,110	4.9%
2017	10,067	459,507,725	46,304	7.0%
2016	10,174	455,544,925	44,735	8.5%
2015	10,331	455,023,437	43,974	10.2%
2014	10,468	452,591,704	43,171	10.7%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income

^c Per Capita

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

* Estimate

CITY OF VENTNOR SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

<u>Employer</u>	<u>2023</u>		<u>2014</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Egg Harbor Township	43,323	23.83%		
Atlantic City	39,558	21.76%		
Galloway Township	37,349	20.55%	Not Available	
Hamilton Township	26,503	14.58%		
Pleasantville	20,249	11.14%		
Hammonton	14,791	8.14%		
	<u>181,773</u>	<u>100.00%</u>	<u></u>	<u></u>

Source:
Information for Atlantic County per 2010 Census Bureau.

**CITY OF VENTNOR SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Regular	59.5	54.5	57.0	57.0	61.0	58.0	57.5	54.0	57.5	56.5
Special Education	16.0	13.0	12.0	12.0	17.0	20.0	16.5	16.5	16.5	15.5
Other Special Education	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.1	4.6
Other Instruction	4.0	3.5	3.5	3.5	1.5	1.5	1.5	1.0	0.0	0.0
Support Services:										
Student & Instruction Related Services	17.5	24.5	22.0	22.0	22.5	21.5	32.0	34.5	27.1	28.1
General Administrative Services	2.5	2.5	2.5	2.5	2.5	2.5	1.5	1.5	1.5	1.5
School Administrative Services	9.5	9.5	9.5	9.5	9.5	9.5	9.5	8.0	7.5	7.5
Business Administrative Services	3.5	3.5	3.5	3.5	2.5	2.5	2.5	2.5	2.5	2.5
Plant Operations and Maintenance	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.5	5.5
Pupil Transportation										
Food Service	7.5	7.0	7.0	7.0	6.0	6.0	5.5	5.0	5.5	5.5
Child Care	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0	0.0	0.0
Total	126.5	124.5	123.5	123.5	129.0	128.0	133.0	129.0	126.7	127.2

Source: District Personnel Records

CITY OF VENTNOR SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures^a	Cost Per Pupil^d	Percentage Change	Teaching Staff^b	Pupil/Teacher Ratio Elementary/ Middle	Average Daily Enrollment (ADE)^c	Average Daily Attendance (ADA)^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2023	508	\$ 24,164,287	\$ 23,506	0.2536	83	6.1:1	501	462	-19.97%	92.22%
2022	568	24,630,424	23,506	0.3387	80	7.1:1	558	522	-16.09%	93.55%
2021	567	23,723,771	21,941	0.3398	85	6:07:01	597	567	-10.23%	94.97%
2020	661	21,837,358	20,961	0.0579	81	8.2:1	626	605	-5.86%	96.65%
2019	656	21,487,353	20,139	0.0489	82	8:0:1	665	628	-4.32%	94.44%
2018	665	20,841,177	18,751	0.0035	81	8.2:1	665	628	-10.50%	94.44%
2017	698	21,798,085	17,559	0.0816	83	8.5:1	695	661	-6.46%	95.11%
2016	753	21,742,182	15,703	0.0458	82	9:1	743	708	-3.63%	95.29%
2015	778	21,480,882	15,679	0.0501	86	9.5:1	771	731	-4.70%	94.81%
2014	817	21,480,882	14,753	0.0198	80	10:1	809	771	-5.60%	95.30%

Sources: District records, ASSA

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d This information is from the Taxpayers Guide to Education Spending

**CITY OF VENTNOR SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>District Building</u>										
<u>Ventnor Educational Community</u>										
Complex (1969)										
Square Feet	152,357	152,357	152,357	152,357	152,357	152,357	152,357	152,357	152,357	152,357
Capacity (Students)	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063
Enrollment	817	778	753	698	665	656	661	567	568	568

Number of Schools at June 30, 2022
Elementary/Middle School - 1

Source: District records, ASSA

Note: Year of original construction is shown in parentheses.
Enrollment is based on the annual October District count.

CITY OF VENTNOR SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(UNAUDITED)

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

<u>School Facilities</u>	<u>Gross Square Footage</u>	<u>2022</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>
City of Ventnor School	152,357	\$ 683,922	720,681	668,025	579,519	603,302	574,675	458,818	357,166	367,584	262,596
Total School Facilities		683,922	720,681	668,025	579,519	603,302	574,675	458,818	357,166	367,584	262,596
Other Facilities											
Grand Total		\$ 683,922	720,681	668,025	579,519	603,302	574,675	458,818	357,166	367,584	262,596

CITY OF VENTNOR SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
 (UNAUDITED)

Company	Type of Coverage	Coverage	Deductible
	School Package Policy		
	Property - Blanket Building & Contents	\$ 500,000,000	\$ 2,500
	* Flood A & V Zones	25,000,000	2,500
	Extra Expense	50,000,000	
	Miscellaneous School Property	25,000,000	
	General Liability	\$5,000,000/Occur/Aggregate	
	Personal/Advertising Injury	5,000,000	5,000
	Sexual Molestation	10,000,000	
	Blanket Dishonesty Bond	100,000	
	Forgery/Alterations	50,000	
	Automobile Liability		
	Comprehensive Automobile Liability	5,000,000	NIL
	Uninsured Motorist	\$15,000/PP / \$30,000/Accident	
	Medical Payments	10,000	
	Physical Damage	500,000	1,000
	School Board Legal	\$5,000,000/Occur/Aggregate	5,000
	Cyber Liability	2,000,000	10,000
	Environmental Impairment	1,000,000	5,000
	Excess Liability	5,000,000	10,000
	Boiler & Machinery	100,000,000	2,500
	Flood Insurance		
	Property - Building	500,000	5,000
	Property - Contents	500,000	5,000
	Student Accident	1,000,000	
	Surety Bonds		
	Superintendent / Treasurer of School Monies	250,000	
	Board Secretary / Business Administrator	250,000	

* \$500,000 Federal Flood Program picks up \$500,000 school deductable is \$500.

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable President and
Members of the Board of Education
City of Ventnor School District
County of Atlantic, New Jersey 08406

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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the City of Ventnor School District's basic financial statements, and have issued our report thereon dated December 6, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Ventnor Board of Education'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 City of Ventnor Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Ventnor Board of Education's internal control.

A deficiency in internal control 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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully Submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
December 6, 2023

NIGHTLINGER, COLAVITA & VOLPA

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

The Honorable President and
Members of the Board of Education
City of Ventnor School District
County of Atlantic, New Jersey 08406

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's major federal and state programs for the year ended June 30, 2023. The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey 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 as prescribed by the Office of School Finance, *Department of Education, State of New Jersey*, and New Jersey OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey'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*, Uniform Guidance and New Jersey OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional 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 The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey'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*, Uniform Guidance and New Jersey OMB 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey'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 New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
December 6, 2023

**CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Schedule A
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at July 1, 2022	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Adjustment / Repayment of Prior Year Balance	Balance at June 30, 2023		
					From	To							(Accounts Receivable)	Unearned Revenue	Due to Grantor
U.S. Department of Health and Human Services:															
General Fund															
Medicaid Assistance Program (Semi)	93.778	2005NJ5MAP	N/A	\$ 22,341	7/1/22	6/30/23		\$ 22,341	\$ (22,341)		\$ (22,341)				
Medicaid Assistance Program (Semi)	93.778	2005NJ5MAP	N/A		7/1/21	6/30/22	\$ (4,105)	4,105							
Total General Fund							(4,105)	26,446	(22,341)		(22,341)				
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Enterprise Fund:															
Child Nutrition Cluster:															
Cash Assistance:															
Summer Food Service Program - Food	10.559	231NJ304N1199	N/A	\$ 1,073	7/1/22	6/30/23		1,073	(1,073)		(1,073)				
Summer Food Service Program - Food	10.559	221NJ304N1099	N/A	-	7/1/21	6/30/22									
Summer Food Service Program - Admin	10.559	231NJ304N1199	N/A	106	7/1/22	6/30/23		106	(106)		(106)				
Summer Food Service Program - Admin	10.559	221NJ304N1099	N/A	-	7/1/21	6/30/22									
School Breakfast Program	10.553	231NJ304N1199	N/A	37,827	7/1/22	6/30/23		36,171	(37,827)		(37,827)		\$ (1,656)		
School Breakfast Program	10.553	221NJ304N1099	N/A	198,132	7/1/21	6/30/22	(17,821)	17,821							
National School Lunch Program	10.555	231NJ304N1199	N/A	143,917	7/1/22	6/30/23		137,940	(143,917)		(143,917)		(5,977)		
National School Lunch Program	10.555	221NJ304N1099	N/A	247,157	7/1/21	6/30/22	(21,293)	21,293							
School Snack Program	10.555	231NJ304N1199	N/A	3,708	7/1/22	6/30/23		3,708	(3,708)		(3,708)				
Emergency Operational Cost Program - P-EBT Administrative Cost Reimburse	10.555	202121H170341	N/A	0	7/1/22	6/30/23									
Supply Chain Assistance Funding	10.555	2022225900941	N/A	653	7/1/22	6/30/23			(653)		(653)		(653)		
Supply Chain Assistance Funding	10.555	231NJ344N8903	NA	24,300	7/1/22	6/30/23		24,300	(24,300)		(24,300)				
Supply Chain Assistance Funding	10.555	221NJ344N8903	NA	15,875	7/1/21	6/30/22	(15,875)	15,875							
Non-Cash Assistance:															
Food Distribution Program	10.565	Unknown	N/A	22,474	7/1/22	6/30/23		22,474	(21,780)		(21,780)			\$ 694	
Total Enterprise Fund							(54,989)	280,761	(233,364)		(233,364)		(8,286)	694	
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
E.S.E.A.:															
Title I, Part A	84.010	S010A220030	ESEA5350-23	409,450	7/1/22	9/30/23		228,445	(407,142)		(407,142)		(178,697)		
Title I, Part A	84.010	S010A210030	ESEA5350-22	391,579	7/1/21	9/30/22	(182,290)	182,290							
Title I, SIA Part A	84.010	S010A220030	ESEA5350-23	41,400	7/1/22	9/30/23		27,149	(41,767)		(41,767)		(14,618)		
Title I, SIA Part A	84.010	S010A210030	ESEA5350-22	40,700	7/1/21	9/30/22	(12,466)	12,466							
Title II, Part A Teachers and Principals	84.367A	S367A220029	ESEA5350-23	56,357	7/1/22	9/30/23		62,573	(86,440)		(86,440)		(23,867)		
Title II, Part A Teachers and Principals	84.367A	S367A210029	ESEA5350-22	40,613	7/1/21	9/30/22	12,963							\$ 12,953	
Title III A English Language Acquisition	84.365	S365A220030	ESEA5350-23	0	7/1/22	9/30/23									
Title IV	84.424A	S424A220031	ESEA5350-23	31,458	7/1/22	9/30/23		22,191	(31,931)		(31,931)		(9,740)		
Title IV	84.424A	S424A210031	ESEA5350-22	20,000	7/1/21	9/30/22	183							183	
IDEA Cluster:															
I.D.E.A. Part B Basic	84.027A	H027A220100	IDEA5350-23	198,633	7/1/22	9/30/23		198,633	(198,633)		(198,633)				
ARP IDEA Part B-Basic	84.027X	H027X210100	IDEA5350-22	0	7/1/21	9/30/22									
I.D.E.A. Part B, Pre-school	84.173A	H173A220114	IDEAPS5350-23	8,060	7/1/22	9/30/23		8,060	(8,060)		(8,060)				
ARP IDEA Preschool	84.173X	H173X210114	IDEAPS5350-22	0	7/1/21	9/30/22									
Education Stabilization Fund:															
CRRSA:															
CRRSA/ ESSER II	84.425D	S425D210027	CRRSA 5350-23	1,464,711	3/13/20	9/30/23	(303,365)	611,805	(847,656)		(847,656)		(539,216)		
CRRSA/ ESSER II Learning Acc	84.425D	S425D210027	CRRSA 5350-23	93,998	3/13/20	9/30/23		24,684	(24,805)		(24,805)		(121)		
CRRSA/ Mental Health	84.425D	S425D210027	CRRSA 5350-23	45,000	3/13/20	9/30/23	(8,881)	11,830	(2,948)		(2,948)		1		
ARP:															
ARP ESSER III	84.425U	S425U210027	ARP 5350-24	3,291,844	3/13/20	9/30/24	(553,432)	1,013,500	(1,096,332)		(1,096,332)	144	(636,264)	144	
ARP Accel. Learning	84.425U	S425U210027	ARP 5350-24	76,607	3/13/20	9/30/24	(29,518)	57,794	(28,758)		(28,758)		(482)		
ARP Beyond School Day (After)	84.425U	S425U210027	ARP 5350-24	40,000	3/13/20	9/30/24	(7,111)	10,530	(8,242)		(8,242)		(4,823)		
ARP HCY Homeless															
NJTSS Mental Health Staffing	84.425U	S425U210027	ARP 5350-24	45,000	3/13/20	9/30/24		45,000	(45,000)		(45,000)				
Total Special Revenue Fund							(1,083,927)	2,516,950	(2,827,714)		(2,827,714)	144	(1,407,827)	144	
Total Federal Financial Awards							\$ (1,143,021)	\$ 2,824,157	\$ (3,083,419)		\$ (3,083,419)	\$ 144	\$ (1,416,113)	\$ 838	\$ 13,136

(A) There were no awards passed through to subrecipients.

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule. These funds were audited in accordance with the Uniform Guidance since the total of all grant expenditures exceeded \$750,000.

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - Schedule B
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022			Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2023			MEMO		
			From	To	(Accounts Receivable)	Unearned Revenue	Carryover Amount				(Accounts Receivable)	Unearned Revenue	Due To Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education:																
General Fund:																
Special Education Aid	23-495-034-5120-089	569,952	7/1/22	6/30/23				\$ 534,070	\$ (569,952)		\$ (35,882)			* \$ (35,882)	\$ (569,952)	
Transportation Aid	23-495-034-5120-014	417,427	7/1/22	6/30/23			391,148	(417,427)			(26,279)			* (26,279)	(417,427)	
Security Aid	23-495-034-5120-084	344,749	7/1/22	6/30/23			323,045	(344,749)			(21,704)			* (21,704)	(344,749)	
Extraordinary Aid	23-495-034-5120-044	86,637	7/1/22	6/30/23							(86,637)			*	(86,637)	
Extraordinary Aid	22-495-034-5120-044	50,106	7/1/21	6/30/22	\$ (51,650)		51,650									
Non-public Transportation Aid	23-495-034-5120-014	7,249	7/1/22	6/30/23					(7,249)		(7,249)			*	(7,249)	
Non-public Transportation Aid	22-495-034-5120-014	9,280	7/1/21	6/30/22	(15,080)		15,080									
Maintenance of Equity	23-495-034-5120-128	354,021	7/1/22	6/30/23					(354,021)		(354,021)				(354,021)	
Supplemental Stabilization Aid	23-100-034-5120-494	113,804	7/1/22	6/30/23			113,804	(113,804)					*		(113,804)	
Homeless Tuition Reimbursement	N/A	18,349	7/1/22	6/30/23	(18,349)		18,349									
Lead Testing For Schools	23-495-34-5120-104	2,347	7/1/22	6/30/23			2,347	(2,347)						*	(2,347)	
Reimbursed TPAF Social Security Contrib.	23-495-034-5094-003	532,744	7/1/22	6/30/23			506,783	(532,744)			(25,961)			*	(532,744)	
Reimbursed TPAF Social Security Contrib.	22-495-034-5094-003	533,250	7/1/21	6/30/22	(26,597)		26,597									
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	2,530,674	7/1/22	6/30/23			2,530,674	(2,530,674)						*	(2,530,674)	
On-Behalf TPAF Post Retirement Medical	23-495-034-5094-001	664,802	7/1/22	6/30/23			664,802	(664,802)						*	(664,802)	
On-Behalf Long-term Disability	23-495-034-5094-004	641	7/1/22	6/30/23			641	(641)						*	(641)	
Total General Fund					(111,676)		5,178,990	(5,625,047)			(557,733)				(5,625,047)	
Special Revenue Fund:																
Preschool Education Aid	23-495-034-5120-086	1,228,045	7/1/22	6/30/23			\$ 37,465	\$ 1,114,687	(1,184,623)		(113,358)	\$ 80,887		*	(113,358)	(1,184,623)
Preschool Education Aid	22-495-034-5120-086	1,062,529	7/1/21	6/30/22		\$ 37,465	(37,465)							*		
NJ Clean Energy Grant	N/A				(122,064)						(122,064)			*		
Climate Awareness Education Grant							5,772	(5,972)			(200)			*	(5,972)	
SDA Emergent Needs & Capital Maint.	22-100-034-5120-086	14,072	7/1/21	6/30/22			13,376	(13,376)						*	(13,376)	
Total Special Revenue Fund					(122,064)	37,465	1,133,835	(1,203,971)			(235,622)	80,887			(113,358)	(1,203,971)
State Department of Agriculture:																
Enterprise Fund:																
State School Breakfast Program	23-100-010-3350-023	492	7/1/22	6/30/23				471	(492)		(21)			*	(492)	
State School Lunch Program	23-100-010-3350-023	4,151	7/1/22	6/30/23				3,979	(4,151)		(172)			*	(4,151)	
State School Lunch Program	22-100-010-3350-023	5,802	7/1/21	6/30/22	(490)		490									
Total Enterprise Fund					(490)		4,940	(4,643)			(193)				(4,643)	
Total State Financial Assistance					\$ (234,230)	\$ 37,465	\$ 6,317,765	\$ (6,833,661)	\$	\$ (793,548)	\$ 80,887			\$ (197,223)	\$ (6,833,661)	
Less: On-Behalf TPAF Pension System Contributions																
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	2,530,674	7/1/22	6/30/23			\$ 2,530,674	\$ (2,530,674)								
On-Behalf TPAF Post Retirement Medical	23-495-034-5094-001	664,802	7/1/22	6/30/23			664,802	(664,802)								
On-Behalf Long-term Disability	23-495-034-5094-004	641	7/1/22	6/30/23			641	(641)								
Total State Financial Assistance - Major Program Determination							\$ 3,121,648	\$ (3,637,544)	\$							

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

VENTNOR BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Ventnor School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey Treasury Circular OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$34,515 for the general fund and \$(654,567) for the special revenue fund. See Note A (Notes to Required Supplemental Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

VENTNOR BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023
(Continued)

NOTE 3: RELATIONSHIP TO GOVERNMENT FINANCIAL STATEMENTS (CONT'D)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 22,341	\$ 5,659,562	\$ 6,769,943
Special Revenue Fund	2,172,272	1,110,381	2,194,613
Food Service Fund	<u>233,363</u>	<u>4,643</u>	<u>238,006</u>
Total Awards & Financial Assistance	<u>\$ 2,427,976</u>	<u>\$ 6,774,586</u>	<u>\$ 9,202,562</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Ventnor School District had no outstanding loans as of June 30, 2023.

NOTE 6: OTHER

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

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

NOTE 8: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results Section of the Schedule of Findings and Questioned Cost.

NOTE 9: ADJUSTMENTS

There was a net adjustment of \$144 reflected on Schedule A of Federal Awards and no adjustments on Schedule B for State Financial Assistance.

CITY OF VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

Federal Awards

Internal control over major programs:

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

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D 84.425U	S425D210027 S425U210027	EDU. STABILIZATION FUND: CRRSA CONSOLIDATED AMERICAN RESCUE PLAN CONSOLIDATED

Dollar threshold used to distinguish between type A and type B programs (section .518): \$750,000

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

VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

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

State Awards

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

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

Internal control over major programs:

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

2) Significant deficiencies identified that
are not considered to be material
weaknesses? _____ 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 NJ OMB
Circular Letter 15-08 as applicable? _____ yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
23-495-034-5120-089	SPECIAL EDUCATION AID
23-495-034-5120-084	SECURITY AID
23-495-034-5120-014	TRANSPORTATION AID

VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Finding: N/A

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Section III - Federal Awards and State Financial Assistance
Findings and Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS

Finding: None

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

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

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a) (b) and New Jersey OMB's Treasury Circular 15-08.

STATUS OF PRIOR - YEAR FINDINGS

There were no prior year findings.