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BERGEN COUNTY
Special Services School District

**Annual
Comprehensive
Financial Report For
The Fiscal Year
Ended June 30, 2024**

BERGEN COUNTY, NEW JERSEY

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Bergen County Special Services

School District

Bergen County, New Jersey

For The Fiscal Year Ended June 30, 2024

Prepared by

**Bergen County Special Services
School District
Business Department**

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BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

District Administration Office

540 Farview Avenue, Paramus, New Jersey 07652 • Tel. (201) 343-6000 • Fax (201) 225-9067

January 8, 2025

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

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive finance statement of the Bergen County Special Services for the fiscal year ended June 30, 2024.

This report consists of management's representations concerning the finances of the Bergen County Special Services School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Bergen County Special Services School District has established a comprehensive internal control framework that is designed both to protect the School District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Bergen County Special Services School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Bergen County Special Services School District's comprehensive framework or internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Bergen County Special Services School District's financial statements have been audited by Lerch, Vinci & Bliss, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Special Services School District for the fiscal year ended June 30, 2024, are free of material

misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Special Services School District's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Bergen County Special Services' MD&A can be found immediately following the "Independent Auditors' Report".

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, and a list of principal officials. The financial section includes the independent auditors' report, management's discussion and analysis (MD&A), the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the basic financial statements and required supplemental information (RSI). 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, as amended, and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the state Treasury Circular Letter 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*". Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The District provides unique services throughout the County for individuals with severe, profound, complex or unmet needs for students ranging in age from birth to 21 years; others we serve are adults over age 21. Students are served in one of our continua, each of which is organized around broad categories in order to address severe, profound, unique and complex special needs.

The School District's revenue source is primarily tuition paid by local school districts. A small portion of overall district revenues comes from county taxes through the Bergen County Board of Chosen Freeholders. The school district operates programs in Bergen, Passaic, and Morris counties on 31 different program sites. Students who live in 10 or more counties in New Jersey are either serviced in District operated programs or receive services from the District while still attending programs in their home school.

The District completed the 2023-24 fiscal year with an average daily enrollment of 596.4 students, which is 6.7 students more than the previous year's enrollment. The following details the changes in the average daily enrollment over the last ten years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Percent Change</u>
2023-24	596.4	1.14%
2022-23	589.7	2.0%
2021-22	578.1	(2.4%)
2020-21	592.3	(3.7%)
2019-20	615.1	4.60%
2018-19	588.0	(2.37%)
2017-18	602.3	(6.24%)
2016-17	642.4	(2.0%)
2015-16	655.0	(2.96%)
2014-15	675.0	(0.44)%

ECONOMIC CONDITION AND OUTLOOK: Located in Northeastern New Jersey in close proximity to New York City, Bergen County is an important economic entity. Although Bergen County comprises only 3% of New Jersey's total land area, it has the largest number of workers, private-sector jobs, and highest per capita income in the state. Its 900,000+ residents live in 70 municipalities, which include 56 boroughs, 9 townships, 3 cities, and 2 villages.

According to the Bergen County Economic Development Corporation, Bergen has over 14% of the states jobs (500,000) and over 14% of New Jersey's manufacturing jobs - both records for the state, at \$15 billion. Hackensack, the County Seat, is home to Bergen's top employer, Hackensack University Medical Center. This state-of-the-art teaching and research hospital is the largest provider of inpatient and outpatient services in the state. The Valley Hospital System and Bio-Reference Laboratories round out the top three employers in the county. Other leading employers include: Express Scripts, Quest Diagnostics, KMPG LLP, Englewood Hospital & Medical Center, Englewood Hospital Home Health Care Services, Unilever Best Foods and Stryker.

MAJOR INITIATIVES: During this past year, the District has increased the number of sites in which it operates programs for students. Going forward, the major initiatives of the District include the following:

- a. Continued expansion of Educational Enterprises, a division in which the District provides supports and services to local school districts, enabling students with disabilities to attend class with regular education students. This expansion also includes provision of child study team services.
- b. Establishing new programs to service elementary/middle/high school students with behavioral disorders, autism, and auditory impairments.
- c. Continued expansion of community-based learning experiences and transition services to master workplace readiness skills.
- d. Expansion and enhancement of community outreach programs.
- e. Expansion and enhancement of support services for School District families and community members.

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 are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 regulation related to those programs. 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 awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

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. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the internal service funds for the Regional Day School. 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 reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

ACCOUNTING SYSTEM 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. These funds are explained in "*Notes to the Basic Financial Statements*".

DEBT ADMINISTRATION: At June 30, 2024 the District does not have any debt service. All bonded long-term debt is included in the County of Bergen's Financial Statements.

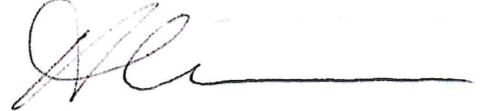
CASH MANAGEMENT: The investment policy of the district is guided in large part by state statute as detailed in "*Notes to the Basic Financial Statements*". The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions 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. 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.

RISK MANAGEMENT: The Board carries various forms of insurance including but not limited to general liability, automobile liability and comprehensive insurance and property damage on buildings and contents, fidelity bonds, workers' compensation, and a self-insured unemployment fund.

ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Bergen County Special Services School Board for their concern in providing fiscal accountability to the Bergen County Executive and Board of Commissioners and to the Local Educational Agencies 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 accounting staff.

Respectfully submitted,

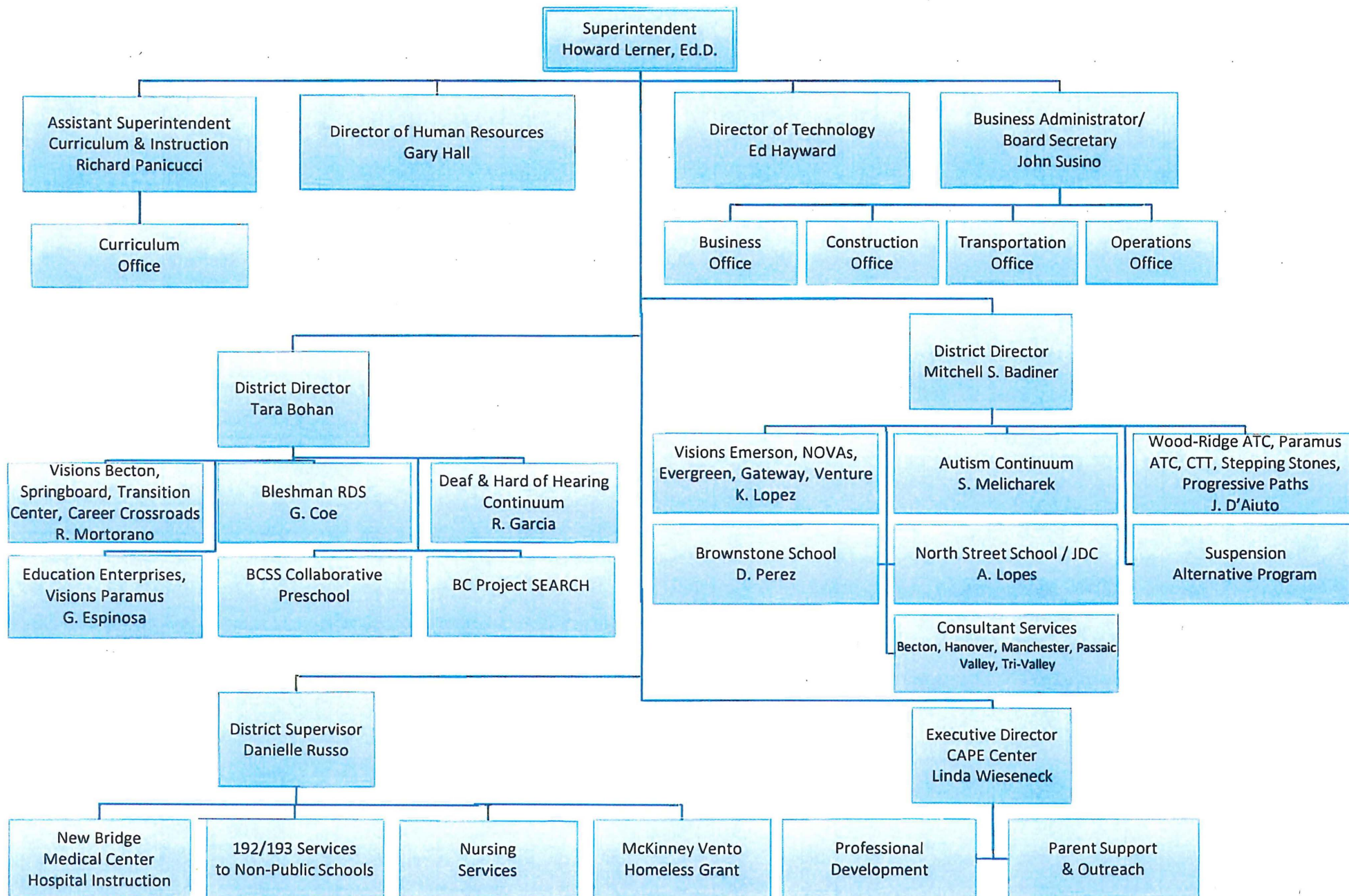


Dr. Howard Lerner
Superintendent



John Susino
Business Administrator/Board Secretary

BCSS Administrative Plan 2023-2024



**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
BERGEN COUNTY, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2024**

COUNTY EXECUTIVE

James J. Tedesco III

MEMBERS OF THE BOARD OF COMMISSIONERS

Germaine M. Ortiz – Chairwoman
Mary J. Amoroso – Vice Chairwoman
Dr. Joan M. Voss – Chair Pro Tempore
Rafael Marte
Thomas J. Sullivan
Steven A. Tanelli
Tracey S. Zur

BOARD OF EDUCATION

President – Gary Lentini

Vice-President – Dr. Beth Lancelloti

Members of the Board

William Barnaskas
Kelly Epstein
Ana Marti
Michael McCarthy
Dr. Louis DeLisio
Executive County Superintendent
Bergen County Office of Education

OTHER OFFICIALS

Superintendent
Business Administrator/Board Secretary
Director of Personnel
District Director of Instruction
District Director of Instruction
Supervisor of Instruction 192/193
Principal, Bleshtman
Supervisor, North Street School
Principal, Brownstone
Principal, Washington Programs
Principal, Nova, Emerson, Evergreen, Venture, Gateway
Principal, Hearing Impaired
Principal, Springboard, Transition Center, Visions

Dr. Howard Lerner
John Susino
Gary Hall
Mitchell Badiner
Tara Bohan
Danielle Russo
Gail Coe
Antonio Lopes
David Perez
Sandra Melicharek
Kelly Lopez
Rasheda Garcia
Robert Mortorano

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Consultants and Advisors

Architects

DMR Architects

Rivardo, Schnitzer and Capazzi

DiCara, Rubino Architects

Netta Architects

Audit Firm

Lerch, Vinci and Bliss, LLP

Attorneys

Law office of John Schettino, LLC (John Schettino, Esq.)

Nowell, P.A.

Engineers

Remington and Vernick

T&M Associates

Construction Management

Mast Construction

Official Depositories

Santander Bank

TD Bank

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Bergen County Special Services School District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bergen County Special Services School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bergen County Special Services School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

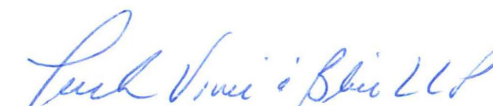
Other Information

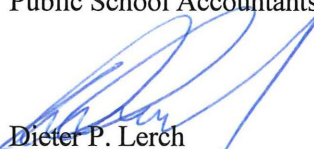
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 8, 2025 on our consideration of the Bergen County Special Services School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergen County Special Services School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Special Services School District's internal control over financial reporting and compliance.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

MANAGEMENT'S DISCUSSION AND ANALYSIS

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

This section of Bergen County Special Services School District's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2023-2024) and the prior year (2022-2023) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2023-2024 fiscal year include the following:

- The assets and deferred outflows of resources of the Bergen County Special Services School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$36,919,320 (net position).
- Overall District revenues were \$126,911,369. General revenues accounted for \$12,769,991 or 10% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$114,141,378 of total revenues or 90%.
- The School District had \$123,724,618 in expenses for governmental activities; \$113,791,524 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly county property taxes) of \$12,769,991 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$19,511,659 a decrease of \$961,930 when compared to the ending fund balance at June 30, 2023 of \$20,473,589.
- The General Fund unassigned fund balance at June 30, 2024 was \$3,364,698, a decrease of \$380,478 when compared with the ending fund balance of \$3,745,176 at June 30, 2023.

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

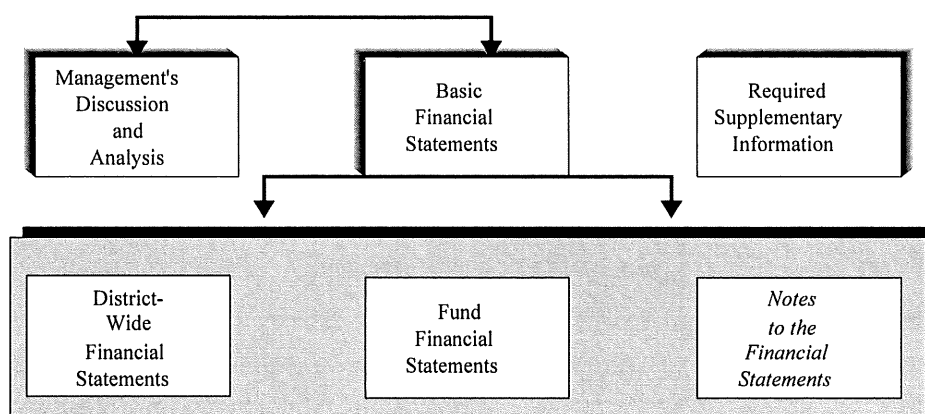
Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

District-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

Fund Financial Statements (Continued)

The District has two kinds of funds:

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

Notes to the Financial Statements

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

Other Information

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

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

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

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$36,919,320 and \$34,211,390 as of June 30, 2024 and 2023, respectively, as shown below.

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

Net Position as of June 30, 2024 and 2023

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Assets						
Current and Other Assets	\$ 29,070,326	\$ 31,254,956	\$ 60,548	\$ 116,618	\$ 29,130,874	\$ 31,371,574
Capital Assets	60,133,243	59,465,689	7,485	9,162	60,140,728	59,474,851
Total Assets	89,203,569	90,720,645	68,033	125,780	89,271,602	90,846,425
Deferred Outflows	4,245,339	5,630,654	-	-	4,245,339	5,630,654
Total Assets and Deferred Outflows	93,448,908	96,351,299	68,033	125,780	93,516,941	96,477,079
Liabilities						
Long-Term Liabilities	46,780,509	46,897,849	-	-	46,780,509	46,897,849
Other Liabilities	5,030,183	5,669,994	4,588	6,468	5,034,771	5,676,462
Total Liabilities	51,810,692	52,567,843	4,588	6,468	51,815,280	52,574,311
Deferred Inflows	4,781,767	9,688,904	574	2,474	4,782,341	9,691,378
Total Liabilities and Deferred Inflows	56,592,459	62,256,747	5,162	8,942	56,597,621	62,265,689
Net Position						
Net Investment in Capital Assets	60,133,243	59,465,689	7,485	9,162	60,140,728	59,474,851
Restricted	11,334,553	13,229,915	-	-	11,334,553	13,229,915
Unrestricted	(34,611,347)	(38,601,052)	55,386	107,676	(34,555,961)	(38,493,376)
Total Net Position	\$ 36,856,449	\$ 34,094,552	\$ 62,871	\$ 116,838	\$ 36,919,320	\$ 34,211,390

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

The changes in net position for fiscal years ended 2024 and 2023 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues						
Charges for Services	\$ 87,286,683	\$ 83,242,048	\$ 69,537	\$ 70,264	\$ 87,356,220	\$ 83,312,312
Operating Grants and Contributions	24,786,792	25,461,291	280,317	380,064	25,067,109	25,841,355
Capital Grants and Contributions	1,718,049	1,172,715	-	-	1,718,049	1,172,715
General Revenues						
County Property Taxes	11,273,518	11,052,469	-	-	11,273,518	11,052,469
Investment Earnings	451,329	186,620	-	-	451,329	186,620
Miscellaneous	1,045,144	1,110,800	-	-	1,045,144	1,110,800
Total Revenues	<u>126,561,515</u>	<u>122,225,943</u>	<u>349,854</u>	<u>450,328</u>	<u>126,911,369</u>	<u>122,676,271</u>
Expenses						
Instruction						
Special Education	67,159,841	61,904,648	-	-	67,159,841	61,904,648
Support Services						
Student and Instruction Related Services	36,665,043	34,974,851	-	-	36,665,043	34,974,851
General Administration Services	1,093,676	1,194,610	-	-	1,093,676	1,194,610
School Administration Services	4,815,450	4,408,224	-	-	4,815,450	4,408,224
Plant Operation and Maintenance	10,092,333	9,143,141	-	-	10,092,333	9,143,141
Pupil Transportation	1,444,797	1,358,776	-	-	1,444,797	1,358,776
Business Services	2,453,478	2,325,426	-	-	2,453,478	2,325,426
Food Service	-	-	478,821	530,098	478,821	530,098
Total Expenses	<u>123,724,618</u>	<u>115,309,676</u>	<u>478,821</u>	<u>530,098</u>	<u>124,203,439</u>	<u>115,839,774</u>
Increase (Decrease) in Net Position						
Before Transfers	2,836,897	6,916,267	(128,967)	(79,770)	2,707,930	6,836,497
Transfers	<u>(75,000)</u>	<u>734,310</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>809,310</u>
Change in Net Position	2,761,897	7,650,577	(53,967)	(4,770)	2,707,930	7,645,807
Net Position, Beginning of Year	<u>34,094,552</u>	<u>26,443,975</u>	<u>116,838</u>	<u>121,608</u>	<u>34,211,390</u>	<u>26,565,583</u>
Net Position, End of Year	<u>\$ 36,856,449</u>	<u>\$ 34,094,552</u>	<u>\$ 62,871</u>	<u>\$ 116,838</u>	<u>\$ 36,919,320</u>	<u>\$ 34,211,390</u>

Governmental Activities

The financial position of the District improved significantly. However, maintaining existing programs with decreased enrollment, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

Total and Net Cost of Governmental Activities. The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2024 and 2023.

	<u>Total Cost of Services</u>		<u>Net Cost (Revenues) of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction				
Special Education	\$ 67,159,841	\$ 61,904,648	\$ (13,556,791)	\$ (15,523,752)
Support Services				
Student and Instruction Related Services	36,665,043	34,974,851	10,461,190	8,792,367
School Administration Services	1,093,676	1,194,610	961,286	1,065,605
General Administration	4,815,450	4,408,224	2,940,963	2,547,810
Plant Operation and Maintenance	10,092,333	9,143,141	7,160,644	6,840,149
Pupil Transportation	1,444,797	1,358,776	1,339,545	1,194,747
Other Support Services-Business/Central Svc./Admin Info. Tech.	<u>2,453,478</u>	<u>2,325,426</u>	<u>626,257</u>	<u>516,696</u>
Total	\$ 123,724,618	\$ 115,309,676	\$ 9,933,094	\$ 5,433,622

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$19,511,659, a decrease of \$961,930 from last year's fund balance of \$20,473,589.

Revenues for the District's governmental funds were \$83,368,022; total expenditures were \$84,254,952 as well as other financing uses of \$75,000.

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

Revenues of the General Fund were \$68,015,796 for the fiscal year ended June 30, 2024. State sources amounted to \$8,290,763, federal sources totaled \$290,734 and other sources were \$59,434,299.

Expenditures of the General Fund were \$68,969,866. Instructional expenditures were \$38,212,121, support services were \$28,365,177 and capital expenditures totaled \$2,392,568 for the fiscal year ended June 30, 2024.

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal and State sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$13,677,226 for the fiscal year ended June 30, 2024. State sources amounted to \$1,703,813, federal sources totaled \$2,835,049 and local sources were \$9,138,364.

Expenditures of the Special Revenue Fund were \$13,680,698. Instructional expenditures were \$6,631,394, and support services were \$7,006,255 and capital expenditures totaled \$43,049 for the fiscal year ended June 30, 2024.

Capital Projects - The capital projects revenues exceeded expenditures and other financing uses by \$70,612 increasing the fund balance from \$2,629,751 at June 30, 2023 to \$2,700,363 at June 30, 2024.

Proprietary Funds

The District maintains both an Enterprise Fund and Internal Service Fund to account for activities which are supported in part through user fees.

- *Enterprise Fund* - The District uses an Enterprise Fund to report activities related to the District's Food services program. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.
- *Internal Service Fund* - The District uses internal service funds to report activities that provide services and supplies for the District's other programs and activities, as well as services provided on behalf of other districts. The internal service fund is also utilized to account for the District's liabilities relating to compensated absences.

The District also operates the Norman A. Bleshman Regional Day School. The related operations for this school are also accounted for in the internal service fund.

The internal service fund revenues including other financing sources were less than expenditures by \$51,606 resulting in a fund balance of \$6,084,575 at June 30, 2024 down from \$6,136,181 at June 30, 2023.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2023 encumbrances.
- Appropriation of Capital Reserve

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

CAPITAL ASSETS

By the end of June 30, 2024, the District had invested \$60,140,728 in a range of capital assets for its governmental and business-type activities. This includes leasehold improvements to buildings, computers, specialized machinery and various other types of equipment. The District is a county-wide school district and all properties but one were acquired and constructed by the County of Bergen. The District also operates certain state owned facilities. Title to all real property utilized by the District with the exception of the Montesano School remains with the County of Bergen or State of New Jersey.

The following is a comparative analysis of capital assets at June 30, 2024 and 2023.

	Governmental Activities		Business- Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Buildings	\$ 73,524,833	\$ 69,953,914			\$ 73,524,833	\$ 69,953,914
Improvements Other Than Buildings	1,246,472	1,194,970			1,246,472	1,194,970
Leasehold Improvements	7,565,113	7,565,113			7,565,113	7,565,113
Machinery and Equipment	16,533,176	16,346,281	\$ 25,724	\$ 25,724	16,558,900	16,372,005
Total Capital Assets	98,869,594	95,060,278	25,724	25,724	98,895,318	95,086,002
Less Accumulated Depreciation	(38,736,351)	(35,594,589)	(18,239)	(16,562)	(38,754,590)	(35,611,151)
Capital Assets, Net	\$ 60,133,243	\$ 59,465,689	\$ 7,485	\$ 9,162	\$ 60,140,728	\$ 59,474,851

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

LONG TERM LIABILITIES

At year-end, the District's long-term liabilities for its governmental activities consisted of compensated absences payable of \$2,385,513 and net pension liability payable of \$44,394,996.

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

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs.

These indicators were considered when adopting the budget for fiscal year 2024-2025.

Three goals served as the foundation for the development of the 2024/2025 budget. The goals balanced fiscal and program issues. The goals were: 1) maintain and improve program excellence; 2) maintain a balance between tuition charged and services provided; and 3) infuse technology into the instructional programs. The budget program priorities for 2024/2025 continue to include program site consolidation and expansion of the autistic programs for students, as well as program improvements to meet state and federal mandates covering instruction and services to physically, behaviorally and cognitively challenged students.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Bergen County Special Services, 540 Fairview Avenue, Paramus, NJ 07652.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 14,392,781	\$ 21,869	\$ 14,414,650
Receivables, net	14,571,827	24,924	14,596,751
Security Deposit	44,100		44,100
Prepaid Expenses	61,618		61,618
Inventories	-	13,755	13,755
Capital Assets, net of accumulated depreciation	<u>60,133,243</u>	<u>7,485</u>	<u>60,140,728</u>
Total Assets	<u>89,203,569</u>	<u>68,033</u>	<u>89,271,602</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>4,245,339</u>	<u>-</u>	<u>4,245,339</u>
Total Assets and Deferred Outflow of Resources	<u>93,448,908</u>	<u>68,033</u>	<u>93,516,941</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,886,160	-	2,886,160
Intergovernmental Payable	-		-
Unearned Revenue	2,144,023	4,588	2,148,611
Noncurrent Liabilities			
Due beyond one year	<u>46,780,509</u>	<u>-</u>	<u>46,780,509</u>
Total Liabilities	<u>51,810,692</u>	<u>4,588</u>	<u>51,815,280</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue		574	574
Deferred Amounts on Net Pension Liability	<u>4,781,767</u>	<u>-</u>	<u>4,781,767</u>
Total Deferred Inflows of Resources	<u>4,781,767</u>	<u>574</u>	<u>4,782,341</u>
Total Liabilities and Deferred Inflow of Resources	<u>56,592,459</u>	<u>5,162</u>	<u>56,597,621</u>
NET POSITION			
Investment in Capital Assets	60,133,243	7,485	60,140,728
Restricted			
Capital Projects	9,671,620		9,671,620
Plant Maintenance	991,313		991,313
Other Purposes	671,620		671,620
Unrestricted	<u>(34,611,347)</u>	<u>55,386</u>	<u>(34,555,961)</u>
Total Net Position	<u>\$ 36,856,449</u>	<u>\$ 62,871</u>	<u>\$ 36,919,320</u>

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities							
Instruction:							
Special Education	\$ 67,159,841	\$ 67,129,778	\$ 13,543,805	\$ 43,049	\$ 13,556,791		\$ 13,556,791
Support Services:							
Student & Instruction Related Services	36,665,043	15,797,009	10,406,844		(10,461,190)		(10,461,190)
General Administration Services	1,093,676	81,399	50,991		(961,286)		(961,286)
School Administration Services	4,815,450	1,307,871	566,616		(2,940,963)		(2,940,963)
Plant Operations and Maintenance	10,092,333	1,096,653	160,036	1,675,000	(7,160,644)		(7,160,644)
Pupil Transportation	1,444,797	69,178	36,074		(1,339,545)		(1,339,545)
Support Services - Business/Central Svc/ Admin Info. Tech.	2,453,478	1,804,795	22,426	-	(626,257)	-	(626,257)
Total Governmental Activities	123,724,618	87,286,683	24,786,792	1,718,049	(9,933,094)	-	(9,933,094)
Business - Type Activities							
Food Service	478,821	69,537	280,317	-	-	\$ (128,967)	(128,967)
Total Business Type Activities	478,821	69,537	280,317	-	-	(128,967)	(128,967)
Total Primary Government	\$ 124,203,439	\$ 87,356,220	\$ 25,067,109	\$ 1,718,049	(9,933,094)	(128,967)	(10,062,061)
General Revenues:							
County Property Tax Levy					11,273,518		11,273,518
Investment Earnings					451,329		451,329
Miscellaneous					1,045,144	-	1,045,144
Transfers					(75,000)	75,000	-
Total General Revenues and Transfers					12,694,991	75,000	12,769,991
Change in Net Position					2,761,897	(53,967)	2,707,930
Net Position - Beginning of Year					34,094,552	116,838	34,211,390
Net Position - End of Year					\$ 36,856,449	\$ 62,871	\$ 36,919,320

FUND FINANCIAL STATEMENTS

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Assets				
Cash and Cash Equivalents	\$ 13,378,349	\$ 92,291		\$ 13,470,640
Intergovernmental Receivables	1,157,263	2,350,709	\$ 2,889,344	6,397,316
Due from Other Funds	6,977,076			6,977,076
Prepaid Expenses	61,618			61,618
Security Deposits	44,100	-	-	44,100
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 21,618,406	\$ 2,443,000	\$ 2,889,344	\$ 26,950,750
	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable and Other Liabilities	\$ 798,656	\$ 68,228	743	\$ 867,627
Payroll Deductions and Withholdings Payable	1,020,129			1,020,129
Other Liabilities	198,114			198,114
Due to Other Funds	1,716,577	1,304,383	\$ 188,238	3,209,198
Unearned Revenue	1,165,925	978,098	-	2,144,023
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	4,899,401	2,350,709	188,981	7,439,091
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances				
Restricted				
Capital Reserve	6,971,257			6,971,257
Maintenance Reserve	891,313			891,313
Maintenance Reserve - Designated for Subsequent Year's Expenditures	100,000			100,000
Unemployment Compensation Reserve	579,329			579,329
Student Activities		31,607		31,607
Scholarship Awards		60,684		60,684
Capital Projects			2,700,363	2,700,363
Committed				
Year End Encumbrances	2,468,330			2,468,330
Assigned				
Year End Encumbrances	1,444,078			1,444,078
Designated for Subsequent Year's Expenditures	900,000			900,000
Unassigned	3,364,698	-	-	3,364,698
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	16,719,005	92,291	2,700,363	19,511,659
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 21,618,406	\$ 2,443,000	\$ 2,889,344	\$ 26,950,750
	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

Total Fund Balance - Governmental Funds (Exhibit B-1)	\$ 19,511,659
Amounts reported for governmental activities in the statement of net position(A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$94,094,937 and the accumulated depreciation is \$37,389,392.	56,705,545
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.	
Deferred Outflows of Resources	\$ 4,245,339
Deferred Inflows of Resources	<u>(4,781,767)</u>
	(536,428)
Long term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the fund	
Net Pension Liability	\$ (44,394,996)
Compensated Absences	<u>(513,906)</u>
	(44,908,902)
The assets and liabilities of the Internal Service funds are included with governmental activities	<u>6,084,575</u>
Net position of Governmental Activities (Exhibit A-1)	\$ <u>36,856,449</u>

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources				
County Property Tax Levy	\$ 11,273,518			\$ 11,273,518
County Aid			\$ 1,675,000	1,675,000
Tuition - LEA's	45,385,429			45,385,429
Non-Resident Fees	1,278,879			1,278,879
Interest on Investments	451,329			451,329
Miscellaneous	<u>1,045,144</u>	<u>\$ 9,138,364</u>	<u>-</u>	<u>10,183,508</u>
	59,434,299	9,138,364	1,675,000	70,247,663
State Sources	8,290,763	1,703,813		9,994,576
Federal Sources	<u>290,734</u>	<u>2,835,049</u>	<u>-</u>	<u>3,125,783</u>
Total Revenues	<u>68,015,796</u>	<u>13,677,226</u>	<u>1,675,000</u>	<u>83,368,022</u>
EXPENDITURES				
Instruction				
Special Education Instruction	38,212,121	6,631,394		44,843,515
Support Services				
Student & Instruction Related Services	15,517,878	6,961,680		22,479,558
School Administration Services	3,737,097			3,737,097
Support Services General Administration	1,043,858			1,043,858
Plant Operations and Maintenance	6,328,471	-	194,457	6,522,928
Pupil Transportation	1,049,774	44,575		1,094,349
Other Support Services - Business (Central Services/Admin Info Tech)	688,099			688,099
Capital Outlay	<u>2,392,568</u>	<u>43,049</u>	<u>1,409,931</u>	<u>3,845,548</u>
Total Expenditures	<u>68,969,866</u>	<u>13,680,698</u>	<u>1,604,388</u>	<u>84,254,952</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(954,070)	(3,472)	70,612	(886,930)
OTHER FINANCING SOURCES(USES)				
Transfers In	-	-		-
Transfers Out	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>
Total Other Financing Sources and Uses	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>
Net Change in Fund Balances	(1,029,070)	(3,472)	70,612	(961,930)
Fund Balance - Beginning of Year	<u>17,748,075</u>	<u>95,763</u>	<u>2,629,751</u>	<u>20,473,589</u>
Fund Balance - End of Year	<u>\$ 16,719,005</u>	<u>\$ 92,291</u>	<u>\$ 2,700,363</u>	<u>\$ 19,511,659</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total Net Change in Fund Balances - Governmental Funds (B-2) **\$ (961,930)**

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

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

Depreciation Expense	\$ (3,709,277)	
Capital Outlays	<u>3,845,548</u>	
		136,271

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

Decrease in Pension Expenses	\$ 3,729,755	
Increase in Compensated Absences	<u>(90,593)</u>	
		3,639,162

Internal Service Funds are used by the District's management to charge the costs of various programs/ services to other governmental entities. The net revenue of the Internal Service Funds is reported with governmental activities

Change in Net Position		<u>(51,606)</u>
------------------------	--	-----------------

Change in net position of governmental activities (Exhibit A-2) **\$ 2,761,897**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

EXHIBIT B-4

	<u>Business Type Activities Enterprise Fund Food Service</u>	<u>Governmental Activities Internal Service Funds</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 21,869	\$ 922,141
Intergovernmental Accounts Receivable	16,581	8,174,511
Other Accounts Receivable	8,343	
Due from Other Funds		1,716,577
Inventories	<u>13,755</u>	<u>-</u>
Total Current Assets	<u>60,548</u>	<u>10,813,229</u>
Capital Assets		
Furniture, machinery & equipment	25,724	4,774,777
Less: Accumulated Depreciation	<u>(18,239)</u>	<u>(1,347,079)</u>
Total Capital Assets, Net	<u>7,485</u>	<u>3,427,698</u>
Total Assets	<u>68,033</u>	<u>14,240,927</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	-	800,290
Due to Other Funds		5,484,455
Unearned Revenue	<u>4,588</u>	<u>-</u>
Total Current Liabilities	<u>4,588</u>	<u>6,284,745</u>
Noncurrent Liabilities		
Compensated Absences	<u>-</u>	<u>1,871,607</u>
Total Noncurrent Liabilities	<u>-</u>	<u>1,871,607</u>
Total Liabilities	<u>4,588</u>	<u>8,156,352</u>
DEFERRED INFLOW OF RESOURCES		
Deferred Commodities Revenue	<u>574</u>	<u>-</u>
Total Liabilities and Deferred Inflow of Resources	<u>5,162</u>	<u>8,156,352</u>
NET POSITION		
Investment in Capital Assets	7,485	3,427,698
Unrestricted	<u>55,386</u>	<u>2,656,877</u>
Total Net Position	<u>\$ 62,871</u>	<u>\$ 6,084,575</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Business- Type Activities Enterprise Fund Food Service</u>	<u>Governmental Activities Internal Service Funds</u>
OPERATING REVENUES		
Charges for Services		
Daily sales - reimbursable programs	\$ 43,324	
Daily sales - nonreimbursable programs	26,213	
Tuition from LEAS		\$ 8,139,493
Charges and Fees	-	32,482,882
Federal Aid		100,000
On-Behalf State Aid	-	5,193,564
	<u>69,537</u>	<u>45,915,939</u>
Total Operating Revenues		
OPERATING EXPENSES		
Cost of Sales - reimbursable programs	171,869	-
Cost of Sales - nonreimbursable programs	2,311	
Salaries	190,030	28,023,876
Employee Benefits	55,420	15,112,195
Purchased Services	-	1,459,761
Supplies and Materials	13,585	362,438
Management/Admin Fee	32,346	278,772
Miscellaneous Expenses	11,583	463,157
Depreciation	1,677	267,346
	<u>478,821</u>	<u>45,967,545</u>
Total Operating Expenses		
Operating Income (Loss)	<u>(409,284)</u>	<u>(51,606)</u>
NON-OPERATING REVENUES		
State Sources		
State School Lunch Program	15,296	
Federal Sources		
National School Lunch Program	142,301	
National School Breakfast Program	73,999	
Emergency Operational Cost Program-Schools	15,693	
USDA Commodity	33,028	-
	<u>280,317</u>	<u>-</u>
Total Non-Operating Revenues		
Net Income(Loss) Before Operating Transfers	(128,967)	(51,606)
Other Financing Sources(Uses)		
Transfers In	75,000	-
Change in Net Position	(53,967)	(51,606)
Total Net Position - Beginning of Year, Restated	116,838	6,136,181
Total Net Position - Ending of Year	<u>\$ 62,871</u>	<u>\$ 6,084,575</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Business-Type Activities Enterprise Fund Food Service</u>	<u>Governmental Activities Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 62,986	\$ 40,259,535
Payments to Employees	(245,450)	(27,898,950)
Payments to Suppliers	<u>(233,235)</u>	<u>(12,067,342)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(415,699)</u>	<u>293,243</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	15,016	
Federal Sources	269,753	
Transfers to/from other funds	<u>75,000</u>	<u>691,203</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>359,769</u>	<u>691,203</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of Capital Assets	<u>-</u>	<u>(798,629)</u>
Net Cash Provided by (Used for) for Capital and Related Financing Activities	<u>-</u>	<u>(798,629)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(55,930)	185,817
Cash and Cash Equivalents - Beginning of Year	<u>77,799</u>	<u>736,324</u>
Cash and Cash Equivalents - End of Year	<u>\$ 21,869</u>	<u>\$ 922,141</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating Income(Loss)	\$ (409,284)	\$ (51,606)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	1,677	267,346
Food Distribution(USDA Commodities)-National School Lunch Program		
Changes in Assets, Liabilities and Deferred Inflows of Resources		
(Increase) Decrease in Accounts Receivable, net	(3,749)	(462,841)
Increase (Decrease) in Other Current liabilities		-
Increase (Decrease) in Accounts Payable	(978)	540,344
Increase (Decrease) in Unearned Revenue	(902)	
Increase (Decrease) in Deferred Commodities Revenue	(1,900)	
(Increase) Decrease in Inventories	<u>(563)</u>	<u>-</u>
Total Adjustments	<u>(6,415)</u>	<u>344,849</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (415,699)</u>	<u>\$ 293,243</u>
Non-Cash Financing Activities		
National School Lunch Program (Food Distribution)	\$ 31,128	

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

NOTES TO THE FINANCIAL STATEMENTS

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Bergen County Special Services School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven officials appointed by the County of Bergen Board of Commissioners and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a special services school district.

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

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. The District would be includable as a component unit of the County of Bergen (the “County”) on the basis of such criteria.

B. New Accounting Standards

During fiscal year 2024, the District adopted the following GASB statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

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

- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 102, *Certain Risk Disclosures*, will be effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (continued)

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

Additionally, the District reports the following fund type:

The *internal service fund* accounts for financing of goods and services provided to other departments or agencies of the District, or to other Boards of Education, on a cost reimbursement basis. These activities include services related to the Norman A. Bleshan Regional Day School, one to one aides, extended school year programs, career crossroads, project search, ETTC, interlocal agreements, home hospital teaching services, teachers educational services programs, school management services and compensated absences program.

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (continued)

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

2. *Receivables*

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

3. *Inventories*

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

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

4. *Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements Other Than Buildings	20
Leasehold Improvements	20
Heavy Equipment	10-20
Office Equipment and Furniture	5-10
Vehicles	8
Computer Equipment	5

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Deferred Outflows/Inflows of Resources*

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

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

7. *Compensated Absences*

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

8. *Pensions*

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

10. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

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

Maintenance Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the 2024/2025 original budget certified for taxes.

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4).

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

Scholarship Awards – This restriction was created to represents the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. *Net Position/Fund Balance (continued)*

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

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

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

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the 2024/2025 original budget certified for taxes.

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

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

11. *Fund Balance Policies*

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. *Property Taxes*

County property taxes are levied pursuant to law and are collected by the County Treasurer and are transferred to the District as requested. County tax revenue is recognized in the year they are levied and become available. County taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed by the County Treasurer and are levied and due in four quarterly installments on February 15, May 15, August 15 and December 1. The County has the ability to charge interest on payments remitted after these due dates. State statutes do not permit liens to be placed against the municipalities by the County for unpaid property taxes.

3. *Tuition Revenues*

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

4. *On-Behalf Payments*

Revenues and expenditures of the general and special revenue funds include payments made by the State of New Jersey on-behalf of the District for social security, pension, long-term disability insurance and post-retirement medical benefit contributions for District employees enrolled in the Teacher Pension and Annuity Fund (TPAF) retirement system.

Revenues and expenses of governmental activities, business-type activities and proprietary funds include the State's proportionate share of the on-behalf actuarial determined pension and post-retirement medical benefit amounts attributable to the District for District employees enrolled in the TPAF retirement system.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2023/2024. Also, during 2023/2024 the Board increased the original budget by \$10,477,018. The increase was funded by the additional appropriations of capital reserve, grant awards, and the reappropriation of prior year general fund encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

B. Capital Reserve

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023		\$ 8,833,983
Increased:		
Interest	\$ 27,274	
Deposit per Board Resolution	<u>2,000,000</u>	
		<u>2,027,274</u>
		10,861,257
Decreased by:		
Withdrawals approved by Board Resolution	<u>3,890,000</u>	
Balance, June 30, 2024		<u>\$ 6,971,257</u>

The capital reserve balance is consistent with the District's Long Range Facilities Plan as estimated by management.

C. Maintenance Reserve

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023	\$ 1,091,313
Decreased by:	
Withdrawals approved in District Budget	<u>100,000</u>
Balance, June 30, 2024	<u>\$ 991,313</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,286,525. \$100,000 of the maintenance reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2024, the book value of the Board's deposits was \$14,414,650 and bank and brokerage firm balances of the Board's deposits amounted to \$15,704,732. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 14,902,699
Uninsured and Collateralized	<u>802,033</u>
	<u>\$ 15,704,732</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2024 the Board's bank balance of \$802,033 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 802,033</u>
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**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

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

As of June 30, 2024, the Board had no outstanding investments.

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial credit risk.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board 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.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board's investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

B. Receivables

Receivables as of June 30, 2024 for the district's individual major funds and internal service funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Internal Service Funds</u>	<u>Total</u>
Receivables:						
Accounts				\$ 8,343		\$ 8,343
Intergovernmental						
State	\$ 115,115	\$ 2,702		1,171		118,988
Federal		182,371		15,410		197,781
Local	<u>1,042,148</u>	<u>2,165,636</u>	<u>\$ 2,889,344</u>	<u>-</u>	<u>\$ 8,174,511</u>	<u>14,271,639</u>
	1,157,263	2,350,709	2,889,344	24,924	8,174,511	14,596,751
Gross Receivables						
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 1,157,263</u>	<u>\$ 2,350,709</u>	<u>\$ 2,889,344</u>	<u>\$ 24,924</u>	<u>\$ 8,174,511</u>	<u>\$ 14,596,751</u>

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

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

General Fund	
Tuition Charges - Prior Year Credits	\$ 1,165,925
Special Revenue Fund	
Unencumbered Grant Draw Downs	953,573
Grant Draw Downs Reserved for Encumbrances	<u>24,525</u>
 Total Unearned Revenue for Governmental Funds	 \$ <u>2,144,023</u>

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance, <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2024</u>
Governmental activities:				
Capital assets, being depreciated:				
Buildings	\$ 69,953,914	\$ 3,570,919		\$ 73,524,833
Improvements Other Than Buildings	1,194,970	51,502		1,246,472
Leasehold Improvements	7,565,113	-		7,565,113
Machinery and Equipment	<u>16,346,281</u>	<u>1,021,756</u>	<u>\$ (834,861)</u>	<u>16,533,176</u>
Total capital assets being depreciated	<u>95,060,278</u>	<u>4,644,177</u>	<u>(834,861)</u>	<u>98,869,594</u>
 Less accumulated depreciation for:				
Buildings	(17,796,063)	(2,345,549)		(20,141,612)
Improvements Other Than Buildings	(316,439)	(61,624)	-	(378,063)
Leasehold Improvements	(6,129,892)	(311,879)	-	(6,441,771)
Machinery and Equipment	<u>(11,352,195)</u>	<u>(1,257,571)</u>	<u>834,861</u>	<u>(11,774,905)</u>
Total accumulated depreciation	<u>(35,594,589)</u>	<u>(3,976,623)</u>	<u>834,861</u>	<u>(38,736,351)</u>
 Total capital assets, being depreciated, net	<u>59,465,689</u>	<u>667,554</u>	<u>-</u>	<u>60,133,243</u>
 Governmental activities capital assets, net	<u>\$ 59,465,689</u>	<u>\$ 667,554</u>	<u>\$ -</u>	<u>\$ 60,133,243</u>

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	\$ 25,724	-	-	\$ 25,724
Total capital assets being depreciated	25,724	-	-	25,724
Less accumulated depreciation for:				
Machinery and equipment	(16,562)	\$ (1,677)	-	(18,239)
Total accumulated depreciation	(16,562)	(1,677)	-	(18,239)
Total capital assets, being depreciated, net	9,162	(1,677)	-	7,485
Business-type activities capital assets, net	\$ 9,162	\$ (1,677)	\$ -	\$ 7,485

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities:	
Instruction	
Special Education	\$ 541,347
Total Instruction	541,347
Support Services	
School administration services	190,918
Plant operations and maintenance	2,846,361
Pupil transportation	397,997
Total Support Services	3,435,276
Total Governmental Activities	\$ 3,976,623
Business-Type Activities	
Food Service Fund	\$ 1,677

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2024:

<u>Project</u>	<u>Remaining Commitment</u>
Parking Lot Resurfacing	\$ 453,254
SAP Program Interior and Exterior Improvements	378,505
Wood-Ridge Interior Renovations and Improvements	330,000
Bleshman School Building Interior Renovations	326,975
Washington Elementary Window Replacement	<u>307,413</u>
Total	<u>\$ 1,796,147</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2024, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,304,383
General Fund	Capital Projects Fund	188,238
General Fund	One to One Aides - Internal Service Fund	1,721,355
General Fund	Management Agreement - Internal Service Fund	82,492
General Fund	Home Hospital - Internal Svc. Fund	413
General Fund	Education Enterprises - Internal Svc. Fund	1,332,535
General Fund	Interlocal Agreement-Internal Service Fund	2,296,506
General Fund	Extended Year-Internal Service Fund	51,154
Compensated Absences - Internal Svc. Fund	General Fund	<u>1,716,577</u>
		<u>\$ 8,693,653</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year except between the General Fund and the Compensated Absences Internal Service Fund.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2024, was as follows:

	Balance, July 1, <u>2024</u>	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, <u>2024</u>	Due Within <u>One Year</u>
Governmental activities:					
Compensated absences	\$ 2,294,920	\$ 90,593		\$ 2,385,513	-
Net Pension Liability	<u>44,602,929</u>	<u>-</u>	<u>\$ (207,933)</u>	<u>44,394,996</u>	<u>-</u>
Governmental activity					
Long-term liabilities	<u>\$ 46,897,849</u>	<u>\$ 90,593</u>	<u>\$ (207,933)</u>	<u>\$ 46,780,509</u>	<u>\$ -</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the County of Bergen Self Insurance Pool for general liability/automobile coverage and worker's compensation insurance.

The relationship between the Board and the County of Bergen is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District has agreed to pay an annual installment based on a computation of the District's Share of the County's premium as provided by the County. In return, the County of Bergen administers the District's insurance.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District’s restricted fund balance for unemployment compensation claims in the General Fund for the current and previous year:

<u>Fiscal Year Ended June 30,</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 224	\$ 111,604	\$ 80,766	\$ 579,329
2023	340	112,952	125,187	579,105

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2023 is \$14.6 billion and the plan fiduciary net position as a percentage of the total pension liability is 65.23%. The collective net pension liability of the State funded TPAF at June 30, 2023 is \$51.1 billion and the plan fiduciary net position as a percentage of total pension liability is 34.68%.

The total pension liabilities for the June 30, 2023 measurement date were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Actuarial Methods and Assumptions

In the July 1, 2022 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2024.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2023 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2024, 2023 and 2022 were equal to the required contributions.

During the fiscal years ended June 30, 2024, 2023 and 2022 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively, for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2024	\$ 4,096,495	\$ 11,557,538	\$ 61,333
2023	3,727,058	10,797,296	53,525
2022	3,656,205	11,269,095	48,739

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$4,051, \$3,633 and \$3,625, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,404,607 during the fiscal year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2023 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

For the fiscal year ended June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$44,394,996 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2023. At June 30, 2023, the District's proportionate share was 0.30650 percent, which was an increase of 0.01095 from its proportionate share measured as of June 30, 2022 of 0.29555 percent.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$366,740 for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2024 for contributions made subsequent to the measurement date. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 424,473	\$ 181,472
Changes of Assumptions	97,527	2,690,527
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	204,445	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>3,518,894</u>	<u>1,909,768</u>
Total	<u>\$ 4,245,339</u>	<u>\$ 4,781,767</u>

At June 30, 2024, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2024	\$ (1,554,321)
2025	(760,763)
2026	1,784,987
2027	(36,620)
2028	30,289
Thereafter	<u>-</u>
	<u>\$ (536,428)</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

Mortality Rates

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%
International Small Cap Equity	1.25%	9.22%

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 57,792,839</u>	<u>\$ 44,394,996</u>	<u>\$ 32,991,660</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2023. A sensitivity analysis specific to the District’s net pension liability at June 30, 2024 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2022 through June 30, 2023. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2023, the State's pension contribution was more than the actuarial determined amount.

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,265,997 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the net pension liability attributable to the District is \$132,941,952. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2023. At June 30, 2023, the State's share of the net pension liability attributable to the District was 0.26050 percent, which was a decrease of 0.00944 percent from its proportionate share measured as of June 30, 2022 of 0.26994 percent.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-4.25%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%
International Small Cap Equity	1.25%	9.22%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2023. 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 156,762,686</u>	<u>\$ 132,941,952</u>	<u>\$ 112,879,233</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2023. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2023 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

D. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2022:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>152,383</u>
Total	<u>369,595</u>

Measurement Focus and Basis of Accounting

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2023 is \$52.4 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2023 were determined based on actuarial valuations as of June 30, 2022 which were rolled forward to June 30, 2023.

Actuarial Methods and Assumptions

In the June 30, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.44 billion to the OPEB plan in fiscal year 2023.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2024, 2023 and 2022 were \$3,145,539, \$2,836,424 and \$2,632,916, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2022 through June 30, 2023. Nonemployer allocation percentages have been rounded for presentation purposes.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$6,632,412. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the OPEB liability attributable to the District is \$182,795,108. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023, the state's share of the OPEB liability attributable to the District was 0.34910 percent, which was an increase of 0.00544 from its proportionate share measured as of June 30, 2022 of 0.34366 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021.

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is, increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is, increasing to 17.4% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 was 3.65%. 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

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 174,049,259
Changes Recognized for the Fiscal Year:	
Service Cost	7,625,360
Interest on the Total OPEB Liability	6,437,820
Differences Between Expected and Actual Experience	(832,363)
Changes of Assumptions	368,439
Gross Benefit Payments	(5,018,386)
Contributions from the Member	164,979
Net Changes	\$ 8,745,849
Balance, June 30, 2023 Measurement Date	\$ 182,795,108

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.65%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 214,295,882</u>	<u>\$ 182,795,108</u>	<u>\$ 157,503,643</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 151,748,122</u>	<u>\$ 182,795,108</u>	<u>\$ 223,420,170</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 were not provided by the pension system.

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS (Continued)

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

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
County Aid	\$ 11,273,518		\$ 11,273,518	\$ 11,273,518	
Tuition	44,692,520		44,692,520	45,385,429	\$ 692,909
Non Resident Fees	1,296,250		1,296,250	1,278,879	(17,371)
Interest on Investments	80,000		80,000	423,831	343,831
Interest on Capital Reserve	10,000		10,000	27,274	17,274
Interest on Unemployment				224	224
Miscellaneous	1,630,000	-	1,630,000	1,045,144	(584,856)
Total Local Sources	58,982,288	-	58,982,288	59,434,299	452,011
State Sources (*See Note)					
On-Behalf TPAF Pension System Contributions - Post Retirement Medical (Non-Budgeted)				1,524,037	1,524,037
On-Behalf TPAF Pension System Contributions - Normal Cost (Non-Budgeted)				5,536,572	5,536,572
On-Behalf TPAF Pension System Contributions - Non-Contributory Group Insurance (Non-Budgeted)				63,141	63,141
On-Behalf TPAF Pension System Contributions - Long-Term Disability Insurance (Non-Budgeted)				1,963	1,963
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,165,050	1,165,050
Total State Sources	-	-	-	8,290,763	8,290,763
Federal Sources:					
Medicaid Reimbursement	350,000	-	350,000	290,734	(59,266)
Total Federal Sources	350,000	-	350,000	290,734	(59,266)
Total Revenues	59,332,288	-	59,332,288	68,015,796	8,683,508
EXPENDITURES					
Current					
Special Education					
Auditory Impairments - Instruction					
Salaries of Teachers	2,141,038	\$ 2,150	2,143,188	2,143,095	93
Other Salaries for Instruction	1,589,938	(2,150)	1,587,788	1,525,334	62,454
Purchased Prof. - Educ. Services	1,115,000	-	1,115,000	1,105,131	9,869
Lease and Rentals	6,900		6,900	6,840	60
Other Purchased Services	51,500	15,200	66,700	24,671	42,029
Travel	6,800	-	6,800	760	6,040
General Supplies	204,500	115,206	319,706	49,193	270,513
Textbooks	1,500	238	1,738	896	842
Other Objects	9,050	-	9,050	1,909	7,141
Total Auditory Impairments - Instruction	5,126,226	130,644	5,256,870	4,857,829	399,041
Emotional Regulation Impairment - Instruction					
Salaries of Teachers	2,504,847	63,500	2,568,347	2,568,202	145
Other Salaries for Instruction	1,090,615	(63,500)	1,027,115	970,305	56,810
Purchased Prof. - Educ. Service	321,500	-	321,500	276,536	44,964
Leases and Rentals	3,400	79	3,479	3,336	143
Travel	14,550	-	14,550	4,106	10,444
General Supplies	84,500	30,870	115,370	96,384	18,986
Textbooks	8,500	(3,500)	5,000	470	4,530
Other Objects	8,450	-	8,450	7,498	952
Total Behavioral Disabilities - Instruction	4,036,362	27,449	4,063,811	3,926,837	136,974

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES (Continued)					
Current (Continued)					
Psychiatric					
Salaries of Teachers	\$ 394,580		\$ 394,580	\$ 344,619	\$ 49,961
Other Salaries for Instruction	109,595	\$ (14,900)	94,695	84,518	10,177
Purchased Prof. - Educ. Service	560,000	-	560,000	557,871	2,129
Travel	300		300	-	300
General Supplies	14,000	17,883	31,883	26,806	5,077
Textbooks	1,000	3,400	4,400	-	4,400
Other Objects	2,500	-	2,500	1,549	951
Total Psychiatric	1,081,975	6,383	1,088,358	1,015,363	72,995
Multiple Disabilities - Instruction					
Salaries of Teachers	1,722,551	(90,300)	1,632,251	1,555,890	76,361
Other Salaries for Instruction	927,863	(1,400)	926,463	915,098	11,365
Purchased Prof. - Educ. Service	325,000	-	325,000	324,314	686
Lease and Rentals	6,500	-	6,500	6,456	44
Travel	6,150	4,795	10,945	8,881	2,064
General Supplies	90,800	194,366	285,166	197,199	87,967
Textbooks	3,250	-	3,250	2,512	738
Other Objects	6,650	-	6,650	2,843	3,807
Total Multiple Disabilities	3,088,764	107,461	3,196,225	3,013,193	183,032
Autism - Instruction					
Salaries of Teachers	4,336,382	-	4,336,382	4,044,991	291,391
Other Salaries for Instruction	2,999,866	-	2,999,866	2,975,793	24,073
Purchased Prof. - Educ. Service	525,500	-	525,500	525,000	500
Lease and Rentals	15,900		15,900	14,054	1,846
Travel	5,350		5,350	1,787	3,563
General Supplies	257,500	285,896	543,396	411,136	132,260
Other Objects	10,500	-	10,500	10,429	71
Total Autistic	8,150,998	285,896	8,436,894	7,983,190	453,704
Preschool Disabilities - Full Time - Instruction					
Salaries of Teachers	614,709	-	614,709	450,645	164,064
Other Salaries for Instruction	319,477	-	319,477	241,871	77,606
Other Purchased Services	500	-	500	-	500
General Supplies	14,250	664	14,914	6,193	8,721
Other Objects	1,000	-	1,000	195	805
Total Preschool Disabilities - Full-Time	949,936	664	950,600	698,904	251,696
Total Special Education - Instruction	22,434,261	558,497	22,992,758	21,495,316	1,497,442
School Sponsored Co curricular Activities					
Travel	1,500	950	2,450	966	1,484
Other Objects	62,150	20,790	82,940	63,685	19,255
Total School Sponsored Co curricular Activities	63,650	21,740	85,390	64,651	20,739
Other Instructional Programs					
Salaries	99,851	5,100	104,951	104,916	35
Purchased Prof. - Educ. Service	2,000	(2,000)	-	-	-
General Supplies	7,500	(2,700)	4,800	4,702	98
Other Objects	500	(400)	100	-	100
Total Other Instructional Programs	109,851	-	109,851	109,618	233

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

EXPENDITURES (Continued)	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Current (Continued)					
Community Services Programs/ Operations					
Salaries	\$ 162,301		\$ 162,301	\$ 162,033	\$ 268
Other Purchased Services	50,000	\$ 1,000	51,000	50,983	17
Travel	800	-	800	283	517
Supplies and Materials	6,500	205	6,705	3,986	2,719
Other Objects	2,000	-	2,000	1,486	514
Total Community Services Programs/ Operations	221,601	1,205	222,806	218,771	4,035
Total Instruction	22,829,363	581,442	23,410,805	21,888,356	1,522,449
Health Services					
Salaries	821,354	(12,100)	809,254	763,588	45,666
Purchased Professional and Technical Services	25,000	-	25,000	350	24,650
Other Professional Services	30,000	-	30,000	30,000	
Supplies and Materials	11,700	437	12,137	3,541	8,596
Other Objects	29,800	-	29,800	14,805	14,995
Total Health Services	917,854	(11,663)	906,191	812,284	93,907
Speech, OT,PT and Related Services					
Salaries	4,584,021	(140,000)	4,444,021	4,244,272	199,749
Purchased Professional-Educational Services	400,000	(206,750)	193,250	192,754	496
Supplies and Materials	2,000	250	2,250	2,211	39
Total Other Support Services-Students Related Serv.	4,986,021	(346,500)	4,639,521	4,439,237	200,284
Child Study Team					
Salaries of Other Professional Staff	2,207,832	-	2,207,832	2,072,620	135,212
Total Child Study Team	2,207,832	-	2,207,832	2,072,620	135,212
Improvement of Instruction Services					
Salaries	526,422	-	526,422	514,353	12,069
Other Purchased Services	47,000		47,000	45,756	1,244
Travel	3,000	-	3,000	2,087	913
Supplies and Materials	7,500	-	7,500	845	6,655
Other Objects	2,000	-	2,000	851	1,149
Total Improvement of Instruction Services	585,922	-	585,922	563,892	22,030
Educational Media Service/School Library					
Salaries	577,115	(42,000)	535,115	534,604	511
Purchased Professional-Educational Services	580,000	73,397	653,397	653,211	186
Travel	1,000	500	1,500	1,305	195
Supplies and Materials	250,000	446,078	696,078	605,937	90,141
Total Educational Media Services/School Library	1,408,115	477,975	1,886,090	1,795,057	91,033
Instructional Staff Training Services					
Travel	22,000	(1,200)	20,800	6,072	14,728
Other Objects	70,550	2,100	72,650	56,991	15,659
Total Instructional Staff Training Services	92,550	900	93,450	63,063	30,387

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXPENDITURES (Continued)	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Current (Continued)					
Support Services General Administration					
Salaries	\$ 170,493		\$ 170,493	\$ 161,153	\$ 9,340
Legal Services	200,000		200,000	51,753	148,247
Audit Fees	70,000		70,000	68,407	1,593
Expenditure and Internal Control	5,000		5,000	2,500	2,500
Architect/Engineering Fees	125,000		125,000	111,203	13,797
Other Purchased Professional Services	58,500		58,500	41,564	16,936
Communications/Telephone	224,700		224,700	210,044	14,656
Travel		\$ 1,500	1,500	1,120	380
Other Purchased Services	290,000	-	290,000	230,516	59,484
BOE Other Purchased Services	7,500	(1,500)	6,000	3,207	2,793
Supplies and Materials	15,000	(650)	14,350	11,184	3,166
Judgements Against School District	-	650	650	650	-
Miscellaneous Expenditures	30,000	-	30,000	23,022	6,978
Total Support Services General Administration	1,196,193	-	1,196,193	916,323	279,870
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,455,366	-	1,455,366	1,427,867	27,499
Salaries of Secretarial and Clerical Assistants	744,079		744,079	694,552	49,527
Other Purchased Professional Services	80,000	-	80,000	80,000	-
Travel	14,800	120	14,920	3,363	11,557
Supplies and Materials	5,650	-	5,650	1,514	4,136
Other Objects	17,450	-	17,450	12,214	5,236
Total Support Services School Administration	2,317,345	120	2,317,465	2,219,510	97,955
Central Services					
Salaries	472,629	(69,200)	403,429	358,439	44,990
Purchased Professional Services	20,000	-	20,000	20,000	-
Purchased Technical Services	68,000	9,500	77,500	72,736	4,764
Leases and Rentals	5,600	-	5,600	4,630	970
Travel	3,500		3,500	350	3,150
Other Purchased Services	3,000	-	3,000	-	3,000
Supplies and Materials	16,000	7,886	23,886	21,135	2,751
Miscellaneous Expenditures	9,000	4,167	13,167	10,787	2,380
Total Central Services	597,729	(47,647)	550,082	488,077	62,005
Required Maintenance for School Facilities					
Salaries	312,962	2,700	315,662	315,611	51
Cleaning, Repair and Maintenance Services	280,000	26,237	306,237	225,752	80,485
General Supplies	105,000	(11,038)	93,962	32,179	61,783
Total Required Maintenance for School Facilities	697,962	17,899	715,861	573,542	142,319

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXPENDITURES (Continued)	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Current (Continued)					
Custodial Services					
Salaries	\$ 1,616,793	\$ (70,000)	\$ 1,546,793	\$ 1,529,785	\$ 17,008
Purchased Professional and Technical Services	150,000		150,000	150,000	-
Cleaning, Repair and Maintenance Services	175,000	77,947	252,947	226,579	26,368
Rental of Land and Bldgs. Other Than Lease Purch	1,320,984	(15,020)	1,305,964	1,305,647	317
Other Purchased Property Services	41,200	-	41,200	29,160	12,040
Insurance	110,000	(3,000)	107,000	100,000	7,000
Travel	-	720	720	716	4
General Supplies	338,000	97,389	435,389	341,584	93,805
Energy (Natural Gas)	150,000	(19,000)	131,000	130,248	752
Energy (Electricity)	513,000	49,500	562,500	562,192	308
Energy (Gasoline)	95,000	1,700	96,700	96,649	51
Other Objects	12,000	(200)	11,800	5,795	6,005
Total Custodial Services	4,521,977	120,036	4,642,013	4,478,355	163,658
Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	75,000	58,000	133,000	64,325	68,675
General Supplies	10,000	(8,000)	2,000	576	1,424
Total Upkeep of Grounds	85,000	50,000	135,000	64,901	70,099
Security					
Cleaning, Repair and Maintenance Services	115,000	3,000	118,000	117,706	294
Total Security	115,000	3,000	118,000	117,706	294
Student Transportation Services					
Salaries for Pupil Transp (Other than Bet. Home & School)	623,982	(47,000)	576,982	576,559	423
Cleaning, Repair and Maintenance Services	10,000	15,000	25,000	20,891	4,109
Contr Serv (Other Than Between Home & School) - Vendors	8,000	-	8,000	3,775	4,225
Miscellaneous Purchased Services-Transportation	59,000	-	59,000	59,000	-
Supplies and Materials	75,000	(26,945)	48,055	42,471	5,584
Miscellaneous Expenditures	25,000	411	25,411	25,337	74
Total Student Transportation Services	800,982	(58,534)	742,448	728,033	14,415

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES (Continued)					
Current (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 1,030,000	\$ (122,800)	\$ 907,200	\$ 905,931	\$ 1,269
Other Retirement Contributions- Regular	2,500,000	(285,420)	2,214,580	2,156,322	58,258
Unemployment Compensation	10,000		10,000	8,127	1,873
Workmen's Compensation	1,170,000	-	1,170,000	1,157,700	12,300
Health Benefits	9,744,241	(99,200)	9,645,041	9,644,044	997
Tuition Reimbursement	125,000	34,971	159,971	159,730	241
Other Employee Benefits	200,000	40,500	240,500	240,500	-
Total Unallocated Benefits	14,779,241	(431,949)	14,347,292	14,272,354	74,938
On-Behalf TPAF Pension System Contributions - Post Retirement Medical (Non-Budgeted)				1,524,037	(1,524,037)
On-Behalf TPAF Pension System Contributions - Normal Cost (Non-Budgeted)				5,536,572	(5,536,572)
On-Behalf TPAF Pension System Contributions - Non-Contributory Group Insurance (Non-Budgeted)				63,141	(63,141)
On-Behalf TPAF Pension System Contributions - Long-Term Disability Insurance (Non-Budgeted)				1,963	(1,963)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,165,050	(1,165,050)
Total On-Behalf TPAF Contributions	-	-	-	8,290,763	(8,290,763)
Total Undistributed Expenditures	35,309,723	(226,363)	35,083,360	41,895,717	(6,812,357)
Total Expenditures - Current	58,139,086	355,079	58,494,165	63,784,073	(5,289,908)
CAPITAL OUTLAY					
Equipment					
Special Education - Instruction					
Auditory Impairments		4,250	4,250	-	4,250
Multiple Disabilities		132,246	132,246	129,592	2,654
Autism		191,772	191,772	191,772	-
Educational Media and School Library		524,245	524,245	314,229	210,016
Central Support Services		6,500	6,500	-	6,500
Custodial Services		1,200	1,200	-	1,200
School Buses	-	150,120	150,120	150,120	-
Special Schools		331,675	331,675	51,502	280,173
Other	10,000	-	10,000	-	10,000
Total Equipment	10,000	1,342,008	1,352,008	837,215	514,793
Facilities Acquisition and Construction Services					
Construction Services	-	4,096,589	4,096,589	1,619,522	2,477,067
Total Facilities Acquisition and Construction Services	-	4,096,589	4,096,589	1,619,522	2,477,067
Total Capital Outlay	10,000	5,438,597	5,448,597	2,456,737	2,991,860

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
SPECIAL SCHOOLS					
Other Special Schools - Instruction					
Salaries of Teachers	\$ 273,574	\$ 17,100	\$ 290,674	\$ 290,627	\$ 47
Other Salaries for Instruction	556,614	21,750	578,364	578,363	1
Other Purchased Services	400,000	363,500	763,500	763,254	246
Travel	150	-	150	-	150
General Supplies	6,000	46,601	52,601	5,129	47,472
Other Objects	11,500	-	11,500	7,001	4,499
Total Other Special Schools - Instruction	1,247,838	448,951	1,696,789	1,644,374	52,415
Other Special Schools - Support Services					
Salaries	333,964	(11,650)	322,314	308,924	13,390
Personal Services - Employee Benefits	503,000	255,920	758,920	758,422	498
Purchased Professional and Technical Services	2,500	-	2,500	-	2,500
Rental	8,400	-	8,400	7,666	734
Travel	-	-	-	-	-
Other Purchased Services	5,000	1,600	6,600	6,559	41
Supplies and Materials	7,500	-	7,500	3,111	4,389
Other Objects	-	-	-	-	-
Total Other Special Schools - Support Services	860,364	245,870	1,106,234	1,084,682	21,552
Total Other Special Schools	2,108,202	694,821	2,803,023	2,729,056	73,967
Total Expenditures	60,257,288	6,488,497	66,745,785	68,969,866	(2,224,081)
Excess(Deficiency) of Revenues Over(Under) Expenditures	(925,000)	(6,488,497)	(7,413,497)	(954,070)	6,459,427
Other Financing Sources(Uses):					
Transfer to Food Service Fund - Board Contribution	(75,000)	-	(75,000)	(75,000)	-
Total Other Financing Sources(Uses)	(75,000)	-	(75,000)	(75,000)	-
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(1,000,000)	(6,488,497)	(7,488,497)	(1,029,070)	6,459,427
Fund Balances, July 1, 2023	17,748,075	-	17,748,075	17,748,075	-
Fund Balances, June 30, 2024	\$ 16,748,075	\$ (6,488,497)	\$ 10,259,578	\$ 16,719,005	\$ 6,459,427
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				\$ 6,971,257	
Maintenance Reserve				891,313	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				100,000	
Unemployment Compensation Reserve				579,329	
Committed Fund Balance					
Year End Encumbrances				2,468,330	
Assigned Fund Balance					
Year End Encumbrances				1,444,078	
Designated for Subsequent Year's Expenditures				900,000	
Unassigned Fund Balance					
Undesignated				3,364,698	
				<u>\$ 16,719,005</u>	

* Note: The On-Behalf TPAF contributions per Exhibit K-4 are allocated to the General, Special Revenue and Internal Service Funds

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
State Sources	-	\$ 28,306	\$ 28,306	\$ 1,703,813	\$ 1,675,507
Federal Sources	\$ 1,970,000	1,721,631	3,691,631	2,746,031	(945,600)
Other Sources	8,002,000	2,238,584	10,240,584	9,149,808	(1,090,776)
Total Revenues	9,972,000	3,988,521	13,960,521	13,599,652	(360,869)
EXPENDITURES					
Instruction					
Salaries of Teachers	9,970,000	(4,876,093)	5,093,907	4,394,940	698,967
Other Salaries for Instruction	-	876,000	876,000	817,059	58,941
General Supplies	-	124,626	124,626	79,054	45,572
Co-Curricular Student Activities	-	-	-	-	-
Other Objects	-	2,838	2,838	2,838	-
Total Instruction	9,970,000	(3,872,629)	6,097,371	5,293,891	803,480
Support Services					
Salaries	-	1,491,588	1,491,588	1,347,669	143,919
Personnel Services Employee Benefits	-	2,334,758	2,334,758	2,149,060	185,698
On-Behalf Benefits (Non-Budget)	-	-	-	1,675,507	(1,675,507)
Cleaning, Repair, and Maintenance Service	-	17,980	17,980	7,980	10,000
Purchased Professional Education Services	-	2,462,665	2,462,665	2,014,698	447,967
Communication and Telephone	-	17,983	17,983	17,983	-
Energy	-	2,538	2,538	2,536	2
Rental	-	3,228	3,228	3,228	-
Travel	-	8,728	8,728	8,664	64
Other Purchased Services	-	1,427,726	1,427,726	993,857	433,869
Supplies and Materials	-	25,161	25,161	13,004	12,157
Miscellaneous Expenditures	-	13,718	13,718	9,908	3,810
Scholarships Awarded (Non-Budget)	1,500	-	1,500	5,586	(4,086)
Student Activities (Non-Budget)	500	-	500	3,607	(3,607)
Total Support Services	2,000	7,806,073	7,808,073	8,256,296	(448,223)
Facilities Acquisition and Construction					
Instructional Equipment	-	55,077	55,077	52,937	2,140
Total Facilities Acquisition and Construction	-	55,077	55,077	52,937	2,140
Total Expenditures	9,972,000	3,988,521	13,960,521	13,603,124	357,397
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	(3,472)	(3,472)
Fund Balance July 1, 2023	95,763	-	95,763	95,763	-
Fund Balance, June 30, 2024	\$ 95,763	\$ -	\$ 95,763	\$ 92,291	\$ (3,472)
Recapitulation:					
Restricted Fund Balance					
Student Activities				\$ 31,607	
Scholarships				60,684	
				<u>\$ 92,291</u>	

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Source/Inflows of Resources		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 68,015,796	\$ 13,599,652
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2024	-	(24,525)
Encumbrances, June 30, 2023	<u>-</u>	<u>102,099</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 68,015,796</u>	<u>\$ 13,677,226</u>
Uses/Outflows of Resources		
Actual amounts(budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 68,969,866	\$ 13,603,124
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2024	-	(24,525)
Encumbrances, June 30, 2023	<u>-</u>	<u>102,099</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 68,969,866</u>	<u>\$ 13,680,698</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Ten Fiscal Years*

	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015	
District's Proportion of the Net Position Liability (Asset)	0.30650	%	0.29555	%	0.31219	%	0.29442	%	0.28633	%	0.28259	%	0.29004	%	0.23653	%	0.23923	%	0.23782	%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 44,394,996		\$ 44,602,929		\$ 36,984,570		\$ 48,012,973		\$ 51,593,332		\$ 55,640,770		\$ 67,518,565		\$ 70,053,677		\$ 53,702,644		\$ 44,515,531	
District's Covered Payroll	\$ 24,024,593		\$ 22,169,134		\$ 21,876,745		\$ 22,421,850		\$ 20,562,178		\$ 19,815,633		\$ 19,833,888		\$ 18,564,076		\$ 16,100,179		\$ 16,501,385	
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	184.79%		201.19%		169.06%		214.13%		250.91%		280.79%		340.42%		377.36%		333.55%		269.77%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23	%	62.91	%	70.33	%	58.32	%	56.27	%	53.60	%	48.10	%	40.14	%	47.93	%	52.08	%

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 4,096,495	\$ 3,727,058	\$ 3,656,205	\$ 3,220,858	\$ 2,785,215	\$ 2,810,868	\$ 2,686,986	\$ 2,101,307	\$ 2,056,748	\$ 1,960,564
Contributions in Relation to the Contractually Required Contribution	<u>4,096,495</u>	<u>3,727,058</u>	<u>3,656,205</u>	<u>3,220,858</u>	<u>2,785,215</u>	<u>2,810,868</u>	<u>2,686,986</u>	<u>2,101,307</u>	<u>2,056,748</u>	<u>1,960,564</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 24,861,175	\$ 24,027,593	\$ 22,169,134	\$ 21,876,745	\$ 22,421,850	\$ 20,562,178	\$ 19,815,633	\$ 19,833,888	\$ 18,564,076	\$ 16,100,179
Contributions as a Percentage of Covered Payroll	16.48%	15.51%	16.49%	14.72%	12.42%	13.67%	13.56%	10.59%	11.08%	12.18%

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>132,941,952</u>	<u>139,271,636</u>	<u>132,340,904</u>	<u>181,809,352</u>	<u>179,295,192</u>	<u>194,573,003</u>	<u>184,883,757</u>	<u>229,394,946</u>	<u>186,708,043</u>	<u>160,785,515</u>
Total	<u>\$ 132,941,952</u>	<u>\$ 139,271,636</u>	<u>\$ 132,340,904</u>	<u>\$ 181,809,352</u>	<u>\$ 179,295,192</u>	<u>\$ 194,573,003</u>	<u>\$ 184,883,757</u>	<u>\$ 229,394,946</u>	<u>\$ 186,708,043</u>	<u>\$ 160,785,515</u>
District's Covered Payroll	\$ 32,454,690	\$ 30,986,184	\$ 29,224,888	\$ 30,017,973	\$ 29,726,170	\$ 29,502,394	\$ 31,206,801	\$ 30,067,644	\$ 27,950,082	\$ 29,483,746
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Change of Benefit Terms: None.

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Seven Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability							
Service Cost	\$ 7,625,360	\$ 9,764,373	\$ 11,148,306	\$ 6,170,780	\$ 6,321,260	\$ 7,244,613	\$ 8,697,404
Interest on Total OPEB Liability	6,437,820	4,612,497	5,266,564	5,021,020	5,970,670	6,469,943	5,529,097
Changes in Benefit Terms	-	-	(216,091)				
Differences Between Expected and Actual Experiences	(832,363)	7,764,476	(38,163,876)	40,474,525	(21,032,606)	(18,013,330)	
Changes of Assumptions	368,439	(46,690,275)	200,295	41,793,746	2,075,507	(17,214,760)	(22,162,909)
Gross Benefit Payments	(5,018,386)	(4,568,815)	(4,148,577)	(3,983,205)	(4,273,073)	(4,011,298)	(4,062,621)
Contribution from the Member	<u>164,979</u>	<u>146,570</u>	<u>134,640</u>	<u>120,731</u>	<u>126,666</u>	<u>138,637</u>	<u>149,596</u>
Net Change in Total OPEB Liability	<u>8,745,849</u>	<u>(28,971,174)</u>	<u>(25,778,739)</u>	<u>89,597,597</u>	<u>(10,811,576)</u>	<u>(25,386,195)</u>	<u>(11,849,433)</u>
Total OPEB Liability - Beginning	<u>174,049,259</u>	<u>203,020,433</u>	<u>228,799,172</u>	<u>139,201,575</u>	<u>150,013,151</u>	<u>175,399,346</u>	<u>187,248,779</u>
Total OPEB Liability - Ending	<u>\$ 182,795,108</u>	<u>\$ 174,049,259</u>	<u>\$ 203,020,433</u>	<u>\$ 228,799,172</u>	<u>\$ 139,201,575</u>	<u>\$ 150,013,151</u>	<u>\$ 175,399,346</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>182,795,108</u>	<u>174,049,259</u>	<u>203,020,433</u>	<u>228,799,172</u>	<u>139,201,575</u>	<u>150,013,151</u>	<u>175,399,346</u>
Total OPEB Liability - Ending	<u>\$ 182,795,108</u>	<u>\$ 174,049,259</u>	<u>\$ 203,020,433</u>	<u>\$ 228,799,172</u>	<u>\$ 139,201,575</u>	<u>\$ 150,013,151</u>	<u>\$ 175,399,346</u>
District's Covered Payroll	<u>\$ 56,479,283</u>	<u>\$ 53,155,318</u>	<u>\$ 51,101,633</u>	<u>\$ 52,439,823</u>	<u>\$ 50,288,348</u>	<u>\$ 49,318,027</u>	<u>\$ 51,040,689</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

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

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL FUNDS

NOT APPLICABLE

SPECIAL REVENUE FUND

[illegible]

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	ARP ESSER Juvenile Justice	Title I Part D	ARP Homeless I	Homeless Children	DDD Adult Training	Leisure Bridges Medicaid	ARP Homeless II	Adult Rehab Paramus Medicaid	Adult Rehab Wood-Ridge Medicaid	Total Exhibit E-1a
REVENUES										
Intergovernmental										
State					\$ 28,306			\$ 1,170,622		\$ 28,306
Federal	\$ 40,000	\$ 23,061	184,810	\$ 314,932		\$ 74,301	\$ 259,537		\$ 677,385	2,744,648
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 40,000	\$ 23,061	\$ 184,810	\$ 314,932	\$ 28,306	\$ 74,301	\$ 259,537	\$ 1,170,622	\$ 677,385	\$ 2,772,954
EXPENDITURES										
Instruction										
Salaries of Teachers		\$ 21,400			\$ 28,306	\$ 57,166		\$ 108,575	\$ 126,617	\$ 342,064
Other Salaries for Instruction								491,149	325,910	817,059
Purchased Professional Services										-
Other Purchased Services								23,273	10,461	50,068
General Supplies	\$ 16,334	-	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-	-	-
Total Instruction	16,334	21,400	-	-	28,306	57,166	-	622,997	462,988	1,209,191
Support Services										
Salaries			15,717	168,962				216,607	61,055	462,341
Personnel Services Employee Benefits		1,637	6,152	84,807		4,649		263,486	121,917	482,648
Cleaning, Repair, and Maintenance Services										-
Purchased Professional Education Services							25			25
Other Purchased Professional Services			162,941	57,000						219,941
Communication and Telephone										-
Energy (Heat & Electricity)										-
Purchased Property Services										-
Rental										-
Travel				1,036						1,036
Other Purchased Services				2,818			259,512	33,638	27,814	323,782
Supplies and Materials				309						12,795
Miscellaneous Expenditures		24				12,486		6,804	1,430	8,258
Scholarships Awarded										-
Student Activities	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	1,661	184,810	314,932	-	17,135	259,537	520,535	212,216	1,510,826
Facilities Acquisition and Construction										
Rental of Buildings			-	-			-	-	-	-
Instructional Equipment	23,666	-	-	-	-	-	-	27,090	2,181	52,937
Total Facilities Acquisition and Construction	23,666	-	-	-	-	-	-	27,090	2,181	50,756
Total Expenditures	40,000	23,061	184,810	314,932	28,306	74,301	259,537	1,170,622	677,385	2,772,954
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Fund Balance July 1	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	On Behalf TPAF	ARP ESSER	Student Activity Funds	Scholarship Funds	Nonpublic IDEA Flow-thru	Nonpublic IDEA Flow-thru Carryover	Nonpublic ARP IDEA	Non Public EANS Grant	Total Exhibit E-1b
REVENUES									
Intergovernmental									
State	\$ 1,675,507								\$ 1,675,507
Federal		\$ 1,383							1,383
Other	-	-	\$ 7,238	\$ 1,492	\$ 556,531	\$ 1,157,013	\$ 37,420	\$ 3,437	1,763,131
Total Revenues	\$ 1,675,507	\$ 1,383	\$ 7,238	\$ 1,492	\$ 556,531	\$ 1,157,013	\$ 37,420	\$ 3,437	\$ 3,440,021
EXPENDITURES									
Instruction									
Salaries of Teachers						\$ 957,013	\$ 34,890	\$ 2,546	\$ 994,449
Other Salaries for Instruction	-	-							-
Purchased Professional Services									-
Other Purchased Services									-
General Supplies	-	-			9,747				9,747
Co-Curricular Student Activities	-	-							-
Other Objects	-	-	-	-	-	-	-	-	-
Total Instruction	-	-	-	-	9,747	957,013	34,890	2,546	1,004,196
Support Services									
Salaries									-
Personnel Services Employee Benefits						200,000	2,530	19	202,549
On-Behalf Benefits	\$ 1,675,507								1,675,507
Cleaning, Repair, and Maintenance Services									-
Purchased Professional Education Services		1,383			546,784			872	549,039
Other Purchased Professional Services									-
Communication and Telephone									-
Energy (Heat & Electricity)									-
Rental									-
Travel									-
Other Purchased Services									-
Supplies and Materials									-
Miscellaneous Expenditures									-
Scholarships Awarded				\$ 5,586					5,586
Student Activities	-	-	\$ 6,616	-	-	-	-	-	-
Total Support Services	1,675,507	1,383	6,616	5,586	546,784	200,000	2,530	891	2,439,297
Facilities Acquisition and Construction									
Buildings	-	-	-	-	-	-	-	-	-
Instructional Equipment	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	-	-	-	-	-	-	-	-	-
Total Expenditures	1,675,507	1,383	6,616	5,586	556,531	1,157,013	37,420	3,437	3,443,493
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	622	(4,094)	-	-	-	-	(3,472)
Other Financing Sources/(Uses)									
Transfer from General Fund	-	-	-	-	-	-	-	-	-
Fund Balance July 1	-	-	30,985	64,778	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ 31,607	\$ 60,684	\$ -	\$ -	\$ -	\$ -	\$ 92,291

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION PROGRAM AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOT APPLICABLE

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF STUDENT ACTIVITY RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Balance July 1, <u>2023</u>	<u>Receipts</u>	Disburse- <u>ments</u>	Balance June 30, <u>2024</u>
SCHOOLS				
District Student Activity	\$ 30,985	\$ 7,238	\$ 6,616	\$ 31,607
	<u>\$ 30,985</u>	<u>\$ 7,238</u>	<u>\$ 6,616</u>	<u>\$ 31,607</u>

CAPITAL PROJECTS FUND

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue/Project Title</u>	<u>Adjusted Appropriation</u>	<u>Prior Years</u>	<u>Expenditures to Date Current Year</u>	<u>Cancelled</u>	<u>Balance June 30, 2023</u>
Facilities Bond #17 (2007)	\$ 1,847,000	\$ 1,846,323	\$ 677		
Facilities Bond #26 (2015)	522,000	520,420		\$ 11,775	\$ 13,355
Facilities Bond #27 (2016)	800,000	771,039	28,961		-
Facilities Bond #28 (2017)	850,000	817,432	32,568		-
Facilities Bond #29 (2018)	1,151,000	1,101,529	25,085		24,386
Facilities Bond #30 (2019)	975,000	840,917	134,083		-
Facilities Bond #31 (2020)	1,200,000	540,693	654,887		4,420
Facilities Bond #32 (2021)	1,200,000	497,593	516,547		185,860
Facilities Bond #33 (2022)	1,150,000	129,303	223,355		797,342
Vehicle Bond #34 (2023)	250,000				250,000
Technology Bond #35 (2023)	225,000				225,000
Facilities Bond #36 (2024)	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200,000</u>
	<u>\$ 11,370,000</u>	<u>\$ 7,065,249</u>	<u>\$ 1,616,163</u>	<u>\$ 11,775</u>	<u>\$ 2,700,363</u>
Fund Balance, June 30, 2024					\$ 2,700,363
<u>Analysis</u>					
Year End Encumbrances					\$ 92,879
Available for Capital Projects					<u>2,607,484</u>
					<u>\$ 2,700,363</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Revenues and Other Financing Sources

County Aid	\$ 1,675,000
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Total Revenues and Other Financing Sources	<u>1,675,000</u>
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Expenditures and Other Financing Uses

Purchased Professional and Technical Services	29,963
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Cleaning, Repair and Maintenance	677
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Facilities Acquisition and Construction Services	1,188,834
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Equipment	190,457
-----------	---------

Supplies and Materials	<u>194,457</u>
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Total Expenditures and Other Financing Uses	<u>1,604,388</u>
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Excess of Revenues Over Expenditures	70,612
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Fund Balance - Beginning of Year	<u>2,629,751</u>
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Fund Balance - End of Year	<u><u>\$ 2,700,363</u></u>
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ENTERPRISE FUNDS

EXHIBIT G-1

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

INTERNAL SERVICE FUNDS

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	Norman A. Bleshman Regional Day School	One to One Aides	Extended Year	Career Crossroads	Project Search	Home Hospital	Education Enterprises	Interlocal Agreements	ETTC	Management Agreement	Compensated Absences	Totals
ASSETS												
Current Assets												
Cash and Cash Equivalents	\$ 656,384			\$ 97,069	\$ 85,963				\$ 82,725	\$ -		\$ 922,141
Accounts Receivable	1,407,056	\$ 2,370,761	\$ 89,462	23,486	35,136	\$ 15,080	\$ 1,521,233	\$ 2,626,395		85,902		8,174,511
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	\$ 1,716,577	1,716,577
Total Current Assets	2,063,440	2,370,761	89,462	120,555	121,099	15,080	1,521,233	2,626,395	82,725	85,902	1,716,577	10,813,229
Capital Assets												
Furniture, machinery & equipment	4,480,473			3,334	-		78,082		147,953	64,935		4,774,777
Less: Accumulated Depreciation	(1,098,397)	-	-	(2,775)	-	-	(78,082)	-	(128,864)	(38,961)	-	(1,347,079)
Total Capital Assets, Net	3,382,076	-	-	559	-	-	-	-	19,089	25,974	-	3,427,698
Total Assets	5,445,516	2,370,761	89,462	121,114	121,099	15,080	1,521,233	2,626,395	101,814	111,876	1,716,577	14,240,927
LIABILITIES												
Current Liabilities												
Accounts Payable	597,407	2,110	3,254	32,914	300		102,537	60,388	408	972		800,290
Due to Other Funds	-	1,721,355	51,154	-	-	413	1,332,535	2,296,506	-	82,492	-	5,484,455
Total Current Liabilities	597,407	1,723,465	54,408	32,914	300	413	1,435,072	2,356,894	408	83,464	-	6,284,745
Noncurrent Liabilities												
Compensated Absences	155,030	-	-	-	-	-	-	-	-	-	1,716,577	1,871,607
Total Noncurrent Liabilities	155,030	-	-	-	-	-	-	-	-	-	1,716,577	1,871,607
Total Liabilities	752,437	1,723,465	54,408	32,914	300	413	1,435,072	2,356,894	408	83,464	1,716,577	8,156,352
NET POSITION												
Net Investment in capital assets	3,382,076			559			-	-	19,089	25,974		3,427,698
Unrestricted	1,311,003	647,296	35,054	87,641	120,799	14,667	86,161	269,501	82,317	2,438	-	2,656,877
Total Net Position	\$ 4,693,079	\$ 647,296	\$ 35,054	\$ 88,200	\$ 120,799	\$ 14,667	\$ 86,161	\$ 269,501	\$ 101,406	\$ 28,412	\$ -	\$ 6,084,575

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Norman A. Bleshman Regional Day School	On Behalf TPAF	One to One Aides	Extended Year	Career Crossroads	Project Search	Home Hospital	Education Enterprises	Interlocal Agreements	ETTC	Management Agreement	Compensated Absences	Totals
REVENUES													
Operating Revenues													
Tuition from LEAS	\$ 8,139,493												\$ 8,139,493
Charges and Fees	51,610		\$ 9,219,111	\$ 4,128,212	\$ 328,860	\$ 303,472	\$ 40,690	\$ 7,122,930	\$ 10,345,788	\$ 11,588	\$ 930,621		32,482,882
Federal Aid	100,000												100,000
On-Behalf (Non-Budgeted)													
TPAF Pension System													
Post Retirement Medical		\$ 2,769,541											2,769,541
Normal Cost		1,363,804											1,363,804
Non-Contributory Group Insurance		54,419											54,419
Non-Contributory Long Term Dis. Insurance		1,692											1,692
Reimbursed TPAF Social Security Contributions	-	1,004,108	-	-	-	-	-	-	-	-	-	-	1,004,108
Total Operating Revenues	8,291,103	5,193,564	9,219,111	4,128,212	328,860	303,472	40,690	7,122,930	10,345,788	11,588	930,621	-	45,915,939
EXPENSES													
Operating Expenses													
Instruction-Special Education	2,645,760		5,629,259	1,782,877	263,785	142,653	21,800		6,399,518	11,426			16,897,078
School Sponsored Cocurricular Activities													-
Health Services	200,606			91,835					62,367				354,808
Speech, OT,PT and Related Services	1,989,296		171,674	181,988				6,241,507	842,652				9,427,117
Child Study Team	197,484			84,899		25,870			371,094				679,347
Instructional Staff Training Services									2,147				2,147
General Administration	19,874			27,458				3,224			3,360		53,916
School Administration	208,988			197,791		11,000		227,341	221,171				866,291
Operation and Maintenance of Plant	419,764			268,097	69,030			15,945	25,144		29,000		826,980
Student Transportation				52,167									52,167
Business/Central Services	59,062			330,803					278,772		692,349		1,360,986
Admin. Info. Technology	25,000												25,000
Unallocated Benefits	1,703,261		3,667,890	1,144,136	41,165	60,062	1,729	717,791	2,418,851		205,913		9,960,798
Construction Services	-												-
On-behalf Benefits		5,193,564											5,193,564
Depreciation	246,194	-	-	-	333	-	-	-	-	7,832	12,987	-	267,346
Total Operating Expenses	7,715,289	5,193,564	9,468,823	4,162,051	374,313	239,585	23,529	7,205,808	10,621,716	19,258	943,609	-	45,967,545
Operating Income (Loss)	575,814	-	(249,712)	(33,839)	(45,453)	63,887	17,161	(82,878)	(275,928)	(7,670)	(12,988)	-	(51,606)
Net Income (Loss) Before Operating Transfers	575,814	-	(249,712)	(33,839)	(45,453)	63,887	17,161	(82,878)	(275,928)	(7,670)	(12,988)	-	(51,606)
Other Financing Sources (Uses)													
Transfer In(out)	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Net Position	575,814	-	(249,712)	(33,839)	(45,453)	63,887	17,161	(82,878)	(275,928)	(7,670)	(12,988)	-	(51,606)
Total Net Position - Beginning of Year,	4,117,265	-	897,008	68,893	\$ 133,653	56,912	(2,494)	169,039	545,429	109,076	41,400	-	6,136,181
Total Net Position - Ending of Year	\$ 4,693,079	\$ -	\$ 647,296	\$ 35,054	\$ 88,200	\$ 120,799	\$ 14,667	\$ 86,161	\$ 269,501	\$ 101,406	\$ 28,412	\$ -	\$ 6,084,575

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINED STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Norman A. Bleshman Regional Day School</u>	<u>One to Aides</u>	<u>Extended Year</u>	<u>Career Crossroads</u>	<u>Project Search</u>	<u>Home Hospital</u>	<u>Education Enterprises</u>	<u>Interlocal Agreement</u>	<u>ETTC</u>	<u>Management Agreement</u>	<u>Compensated Absences</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts from Customers	\$ 7,918,845	\$ 8,834,806	\$ 4,074,950	\$ 358,989	\$ 303,375	\$ 33,670	\$ 7,046,750	\$ 10,296,844	\$ 11,588	\$ 1,379,718		\$ 40,259,535
Payments to Employees	(5,135,369)	(5,759,263)	(2,290,005)	(245,298)	(176,314)	(21,800)	(6,192,090)	(7,386,463)		(692,348)		(27,898,950)
Payments to Suppliers for Goods and Services	(1,845,401)	(3,708,454)	(1,870,438)	(97,337)	(63,120)	(2,529)	(1,012,062)	(3,217,338)	(11,173)	(239,490)	-	(12,067,342)
Net Cash Provided by (Used for) Operating Activities	938,075	(632,911)	(85,493)	16,354	63,941	9,341	(157,402)	(306,957)	415	447,880	-	293,243
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES												
Transfers from (to) Other Funds	-	632,911	51,154	-	-	(9,341)	157,402	306,957	-	(447,880)	-	691,203
Net Cash Provided by (Used For) Noncapital Financing Activities	-	632,911	51,154	-	-	(9,341)	157,402	306,957	-	(447,880)	-	691,203
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES												
Purchases of Capital Assets	(798,629)	-	-	-	-	-	-	-	-	-	-	(798,629)
Net Cash Provided by (Used) Capital and Related Financing Activities	(798,629)	-	-	-	-	-	-	-	-	-	-	(798,629)
Net Increase (Decrease) in Cash and Cash Equivalents	139,446	-	(34,339)	16,354	63,941	-	-	-	415	-	-	185,817
Balances - Beginning of Year	516,938	-	34,339	\$ 80,715	22,022	-	-	-	82,310	-	-	736,324
Balances - End of Year	\$ 656,384	\$ -	\$ -	\$ 97,069	\$ 85,963	\$ -	\$ -	\$ -	\$ 82,725	\$ -	\$ -	\$ 922,141
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES												
Operating Income (Loss)	\$ 575,814	\$ (249,712)	(33,839)	\$ (45,453)	\$ 63,887	\$ 17,161	\$ (82,878)	\$ (275,928)	\$ (7,670)	\$ (12,988)	-	\$ (51,606)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities												
Depreciation	246,194			333					7,832	12,987		267,346
Changes in Assets and Liabilities												
(Increase) Decrease in Accounts Receivable, net	(372,258)	(384,305)	(53,263)	30,129	(97)	(7,020)	(76,180)	(48,944)		449,097		(462,841)
Increase(Decrease) in Other Current Liabilities	-											-
Increase(Decrease) in Accounts Payable	488,325	1,106	1,609	31,345	151	(800)	1,656	17,915	253	(1,216)	-	540,344
Total Adjustments	362,261	(383,199)	(51,654)	61,807	54	(7,820)	(74,524)	(31,029)	8,085	460,868	-	344,849
Net Cash Provided (Used) by Operating Activities	\$ 938,075	\$ (632,911)	\$ (85,493)	\$ 16,354	\$ 63,941	\$ 9,341	\$ (157,402)	\$ (306,957)	\$ 415	\$ 447,880	\$ -	\$ 293,243

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

NOT APPLICABLE

STATISTICAL SECTION

This part of the Bergen County Special Services School District's annual comprehensive financial report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020 (As Restated)	2021	2022	2023	2024
Governmental Activities										
Net Investment In Capital Assets	\$ 55,642,957	\$ 58,293,757	\$ 56,894,523	\$ 57,165,713	\$ 57,033,773	\$ 56,576,886	\$ 58,851,054	\$ 60,553,573	\$ 59,465,689	\$ 60,133,243
Restricted	8,056,525	3,012,582	4,113,403	5,468,478	6,233,710	7,745,206	9,327,507	9,830,608	13,229,915	11,334,553
Unrestricted	<u>(39,748,375)</u>	<u>(42,507,044)</u>	<u>(44,204,588)</u>	<u>(48,139,600)</u>	<u>(48,598,459)</u>	<u>(46,943,976)</u>	<u>(49,456,267)</u>	<u>(43,940,206)</u>	<u>(38,601,052)</u>	<u>(34,611,347)</u>
Total Governmental Activities Net Position	<u>\$ 23,951,107</u>	<u>\$ 18,799,295</u>	<u>\$ 16,803,338</u>	<u>\$ 14,494,591</u>	<u>\$ 14,669,024</u>	<u>\$ 17,378,116</u>	<u>\$ 18,722,294</u>	<u>\$ 26,443,975</u>	<u>\$ 34,094,552</u>	<u>\$ 36,856,449</u>
Business-Type Activities										
Net Investment In Capital Assets	\$ 601							\$ 10,838	\$ 9,162	\$ 7,485
Unrestricted	296	\$ 11,496	\$ 70,389	\$ 94,678	\$ 117,004	\$ 68,133	\$ 74,772	110,770.00	107,676	55,386
Total Business-Type Activities Net Position	<u>\$ 897</u>	<u>\$ 11,496</u>	<u>\$ 70,389</u>	<u>\$ 94,678</u>	<u>\$ 117,004</u>	<u>\$ 68,133</u>	<u>\$ 74,772</u>	<u>\$ 121,608</u>	<u>\$ 116,838</u>	<u>\$ 62,871</u>
District-Wide										
Net Investment In Capital Assets	\$ 55,643,558	\$ 58,293,757	\$ 56,894,523	\$ 57,165,713	\$ 57,033,773	\$ 56,576,886	\$ 58,851,054	\$ 60,564,411	\$ 59,474,851	\$ 60,140,728
Restricted	8,056,525	3,012,582	4,113,403	5,468,478	6,233,710	7,745,206	9,327,507	9,830,608	13,229,915	11,334,553
Unrestricted	<u>(39,748,079)</u>	<u>(42,495,548)</u>	<u>(44,134,199)</u>	<u>(48,044,922)</u>	<u>(48,481,455)</u>	<u>(46,875,843)</u>	<u>(49,381,495)</u>	<u>(43,829,436)</u>	<u>(38,493,376)</u>	<u>(34,555,961)</u>
Total District Net Position	<u>\$ 23,952,004</u>	<u>\$ 18,810,791</u>	<u>\$ 16,873,727</u>	<u>\$ 14,589,269</u>	<u>\$ 14,786,028</u>	<u>\$ 17,446,249</u>	<u>\$ 18,797,066</u>	<u>\$ 26,565,583</u>	<u>\$ 34,211,390</u>	<u>\$ 36,919,320</u>

Note 2 - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

Source: District financial statements

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
Instruction										
Special Education	\$ 63,251,697	\$ 67,247,123	\$ 68,922,293	\$ 75,172,372	\$ 71,260,464	\$ 70,448,783	\$ 74,805,566	\$ 68,974,993	\$ 61,904,648	\$ 67,159,841
Support Services:										
Student & Instruction Related Services	25,932,852	28,918,263	33,085,833	31,589,371	29,873,164	27,904,341	29,123,984	25,910,009	34,974,851	36,665,043
School Administration Services	4,522,433	5,079,817	5,708,571	5,480,247	5,036,095	5,161,235	5,552,701	4,883,343	4,408,224	4,815,450
General Administration	1,339,388	1,027,257	1,185,658	1,726,322	1,134,987	1,083,412	1,066,715	1,198,892	1,194,610	1,093,676
Plant Operations And Maintenance	7,726,049	8,570,967	8,418,619	9,476,019	9,377,404	9,786,159	9,786,931	9,094,816	9,143,141	10,092,333
Pupil Transportation	1,622,300	1,903,511	2,004,151	2,238,886	2,252,630	2,172,517	2,056,277	1,523,415	1,358,776	1,444,797
Support Svc- Central Svc/Admin Info Tech	2,235,759	2,272,376	2,383,844	2,836,193	2,879,868	2,743,706	2,278,400	1,977,874	2,325,426	2,453,478
Total Governmental Activities Expenses	106,630,478	115,019,314	121,708,969	128,519,410	121,814,612	119,300,153	124,670,574	113,563,342	115,309,676	123,724,618
Business-Type Activities:										
Food Service	404,752	489,687	490,413	477,876	476,061	378,688	281,148	478,707	530,098	478,821
Total Business-Type Activities Expense	404,752	489,687	490,413	477,876	476,061	378,688	281,148	478,707	530,098	478,821
Total District Expenses	<u>\$ 107,035,230</u>	<u>\$ 115,509,001</u>	<u>\$ 122,199,382</u>	<u>\$ 128,997,286</u>	<u>\$ 122,290,673</u>	<u>\$ 119,678,841</u>	<u>\$ 124,951,722</u>	<u>\$ 114,042,049</u>	<u>\$ 115,839,774</u>	<u>\$ 124,203,439</u>
Program Revenues										
Governmental Activities:										
Charges For Services:	\$ 72,993,799	\$ 74,884,156	\$ 78,638,703	\$ 76,676,974	\$ 77,794,212	\$ 80,317,082	\$ 77,810,241	\$ 78,806,893	\$ 83,242,048	\$ 87,286,683
Operating Grants And Contributions	21,918,039	24,011,839	29,847,566	37,738,856	31,572,505	27,335,258	34,748,201	29,067,911	25,461,291	24,786,792
Capital Grants And Contributions	38,228,087	857,842	586,520	881,204	959,231	950,308	1,526,228	1,393,169	1,172,715	1,718,049
Total Governmental Activities Program Revenues	<u>133,139,925</u>	<u>99,753,837</u>	<u>109,072,789</u>	<u>115,297,034</u>	<u>110,325,948</u>	<u>108,602,648</u>	<u>114,084,670</u>	<u>109,267,973</u>	<u>109,876,054</u>	<u>113,791,524</u>
Business-Type Activities:										
Charges For Services										
Food Service	94,363	126,777	147,180	147,380	137,665	102,783	2,818	14,660	70,264	69,537
Operating Grants And Contributions	208,112	201,509	202,126	204,785	210,722	152,034	184,969	498,368	380,064	280,317
Total Business-Type Activities Program Revenues	<u>302,475</u>	<u>328,286</u>	<u>349,306</u>	<u>352,165</u>	<u>348,387</u>	<u>254,817</u>	<u>187,787</u>	<u>513,028</u>	<u>450,328</u>	<u>349,854</u>
Total District Program Revenues	<u>\$ 133,442,400</u>	<u>\$ 100,082,123</u>	<u>\$ 109,422,095</u>	<u>\$ 115,649,199</u>	<u>\$ 110,674,335</u>	<u>\$ 108,857,465</u>	<u>\$ 114,272,457</u>	<u>\$ 109,781,001</u>	<u>\$ 110,326,382</u>	<u>\$ 114,141,378</u>
Net (Expense)/Revenue										
Governmental Activities	\$ 26,509,447	\$ (15,265,477)	\$ (12,636,180)	\$ (13,222,376)	\$ (11,488,664)	\$ (10,697,505)	\$ (10,585,904)	\$ (4,295,369)	\$ (5,433,622)	\$ (9,933,094)
Business-Type Activities	(102,277)	(161,401)	(141,107)	(125,711)	(127,674)	(123,871)	(93,361)	34,321	(79,770)	(128,967)
Total District-Wide Net Expense	<u>\$ 26,407,170</u>	<u>\$ (15,426,878)</u>	<u>\$ (12,777,287)</u>	<u>\$ (13,348,087)</u>	<u>\$ (11,616,338)</u>	<u>\$ (10,821,376)</u>	<u>\$ (10,679,265)</u>	<u>\$ (4,261,048)</u>	<u>\$ (5,513,392)</u>	<u>\$ (10,062,061)</u>
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes Levied For General Purposes, Net	\$ 8,867,475	\$ 8,867,475	\$ 9,577,003	\$ 9,864,312	\$ 10,261,598	\$ 10,518,107	\$ 10,623,288	\$ 10,835,754	\$ 11,052,469	\$ 11,273,518
Federal And State Aid Restricted	80,341	50,791	158,326	10,449	6,990	-	-	-	-	-
Investment Earnings	25,775	18,330	12,187	36,974	110,368	122,595	14,655	12,611	186,620	451,329
Miscellaneous Income	1,292,403	1,349,069	1,092,707	1,151,894	1,434,141	2,192,109	1,392,139	1,168,685	1,110,800	1,045,144
Disposal of Capital Assets, net	(5,648,897)	-	-	-	-	(16,359)	-	-	-	-
Transfers	(97,000)	(172,000)	(200,000)	(150,000)	(150,000)	(75,000)	(100,000)	-	734,310	(75,000)
Total Governmental Activities	<u>4,520,097</u>	<u>10,113,665</u>	<u>10,640,223</u>	<u>10,913,629</u>	<u>11,663,097</u>	<u>12,741,452</u>	<u>11,930,082</u>	<u>12,017,050</u>	<u>13,084,199</u>	<u>12,694,991</u>
Business-Type Activities:										
Investment Earnings								-	451,329	-
Transfers	97,000	172,000	200,000	150,000	150,000	75,000	100,000	-	75,000	75,000
Total Business-Type Activities	<u>97,000</u>	<u>172,000</u>	<u>200,000</u>	<u>150,000</u>	<u>150,000</u>	<u>75,000</u>	<u>100,000</u>	<u>-</u>	<u>526,329</u>	<u>75,000</u>
Total District-Wide	<u>\$ 4,617,097</u>	<u>\$ 10,285,665</u>	<u>\$ 10,840,223</u>	<u>\$ 11,063,629</u>	<u>\$ 11,813,097</u>	<u>\$ 12,816,452</u>	<u>\$ 12,030,082</u>	<u>\$ 12,017,050</u>	<u>\$ 13,610,528</u>	<u>\$ 12,769,991</u>
Change In Net Position										
Governmental Activities	\$ 31,029,544	\$ (5,151,812)	\$ (1,995,957)	\$ (2,308,747)	\$ 174,433	\$ 2,043,947	\$ 1,344,178	\$ 7,721,681	\$ 7,650,577	\$ 2,761,897
Business-Type Activities	(5,277)	10,599	58,893	24,289	22,326	(48,871)	6,639	34,321	(4,770)	(53,967)
Total District	<u>\$ 31,024,267</u>	<u>\$ (5,141,213)</u>	<u>\$ (1,937,064)</u>	<u>\$ (2,284,458)</u>	<u>\$ 196,759</u>	<u>\$ 1,995,076</u>	<u>\$ 1,350,817</u>	<u>\$ 7,756,002</u>	<u>\$ 7,645,807</u>	<u>\$ 2,707,930</u>

Source: District financial statements

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
FUND BALANCES- GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020 (As Restated)	2021	2022	2023	2024
General Fund										
Restricted	\$ 2,903,507	\$ 2,256,492	\$ 3,939,961	\$ 4,907,092	\$ 5,643,187	\$ 7,271,649	\$ 8,276,990	\$ 8,650,917	\$ 10,504,401	\$ 8,541,899
Committed				1,125,621	-			1,754,007	-	2,468,330
Assigned	1,841,124	1,302,525	3,041,642	1,636,488	4,033,954	6,191,699	4,310,923	2,678,481	3,498,498	2,344,078
Unassigned	<u>3,262,115</u>	<u>2,990,291</u>	<u>2,694,195</u>	<u>2,640,007</u>	<u>2,641,719</u>	<u>3,812,858</u>	<u>3,716,912</u>	<u>3,405,043</u>	<u>3,745,176</u>	<u>3,364,698</u>
Total General Fund	<u>\$ 8,006,746</u>	<u>\$ 6,549,308</u>	<u>\$ 9,675,798</u>	<u>\$ 10,309,208</u>	<u>\$ 12,318,860</u>	<u>\$ 17,276,206</u>	<u>\$ 16,304,825</u>	<u>\$ 16,488,448</u>	<u>\$ 17,748,075</u>	<u>\$ 16,719,005</u>
All Other Governmental Funds										
Restricted	<u>\$ 4,894,565</u>	<u>\$ 630,103</u>	<u>\$ 135,984</u>	<u>\$ 561,386</u>	<u>\$ 590,523</u>	<u>\$ 473,057</u>	<u>\$ 1,050,517</u>	<u>\$ 1,179,691</u>	<u>\$ 2,725,514</u>	<u>\$ 2,792,654</u>
Total All Other Governmental Funds	<u>\$ 4,894,565</u>	<u>\$ 630,103</u>	<u>\$ 135,984</u>	<u>\$ 561,386</u>	<u>\$ 590,523</u>	<u>\$ 473,057</u>	<u>\$ 1,050,517</u>	<u>\$ 1,179,691</u>	<u>\$ 2,725,514</u>	<u>\$ 2,792,654</u>

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

Source: District financial statements

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
CHANGES IN FUND BALANCES- GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 8,867,475	\$ 8,867,475	\$ 9,577,003	\$ 9,864,312	\$ 10,261,598	\$ 10,518,107	\$ 10,623,288	\$ 10,835,754	\$ 11,052,469	\$ 11,273,518
County Aid	38,228,087	857,842	586,520	881,204	959,231	950,308	1,524,090	1,200,000	1,150,000	1,675,000
Tuition Charges	44,579,033	44,613,401	45,385,141	43,944,081	43,394,851	45,273,830	42,396,528	41,561,486	43,402,369	45,385,429
Non-Resident Fees	1,131,600	1,094,400	1,216,875	1,175,175	1,227,825	1,216,669	1,241,736	1,260,563	1,233,336	1,278,879
Interest Earnings	25,775	18,330	12,187	36,974	110,368	122,595	14,655	12,611	186,620	451,329
Miscellaneous	9,217,624	9,546,829	9,097,418	9,582,060	9,712,013	8,880,856	8,525,965	9,276,397	9,773,121	10,183,508
State Sources	5,837,277	6,225,441	6,901,917	7,794,656	7,711,831	7,472,244	9,400,961	9,873,029	9,329,283	9,994,576
Federal Sources	1,181,175	573,922	947,774	1,709,737	1,995,518	1,753,721	1,109,899	2,972,523	3,599,702	3,125,783
Total Revenue	109,068,046	71,797,640	73,724,835	74,988,199	75,373,235	76,188,330	74,837,122	76,992,363	79,726,900	83,368,022
Expenditures										
Instruction										
Special Education Instruction	38,383,229	40,375,830	38,636,682	38,079,430	38,096,767	37,108,889	36,563,510	40,500,078	41,794,952	44,843,515
Support Services:										
Student & Inst. Related Services	20,165,412	20,170,355	19,205,093	21,234,274	20,383,366	19,560,737	20,675,949	19,679,774	20,919,442	22,479,558
General Administration	1,025,687	952,238	1,086,849	1,332,370	1,014,696	935,666	981,512	1,086,752	1,146,971	1,043,858
School Administration Services	3,009,713	3,249,003	3,010,951	3,051,171	2,972,430	3,280,884	3,515,173	3,334,463	3,384,434	3,737,097
Plant Operations And Maintenance	5,107,126	5,529,177	4,890,153	5,450,506	5,690,062	6,337,409	6,231,565	6,155,106	5,994,668	6,522,928
Pupil Transportation	1,209,500	1,454,088	1,405,377	1,435,645	1,583,574	1,515,736	1,429,960	1,190,698	1,105,088	1,094,349
Other Support Services	621,947	786,212	736,493	755,584	693,787	656,368	776,183	610,479	668,826	688,099
Capital Outlay	35,553,370	5,330,637	1,420,866	2,440,407	2,749,764	2,542,906	4,957,191	4,122,216	2,611,379	3,845,548
Total Expenditures	105,075,984	77,847,540	70,392,464	73,779,387	73,184,446	71,938,595	75,131,043	76,679,566	77,625,760	84,254,952
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	3,992,062	(6,049,900)	3,332,371	1,208,812	2,188,789	4,249,735	(293,921)	312,797	2,101,140	(886,930)
Other Financing Sources (Uses)										
Transfers In	2,565,562	1,476,505	437,276	969,529	180,291	40,536	-	-	-	-
Transfers Out	(1,912,562)	(1,148,505)	(1,137,276)	(1,119,529)	(330,291)	(115,536)	(100,000)	-	(105,000)	(75,000)
County Bonds									809,310	-
Total Other Financing Sources (Uses)	653,000	328,000	(700,000)	(150,000)	(150,000)	(75,000)	(100,000)	-	704,310	(75,000)
Net Change In Fund Balances	\$ 4,645,062	\$ (5,721,900)	\$ 2,632,371	\$ 1,058,812	\$ 2,038,789	\$ 4,174,735	\$ (393,921)	\$ 312,797	\$ 2,805,450	\$ (961,930)
Debt Service As A Percentage Of										
Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Interest Earned</u>	<u>Services Provided Other LEAs</u>	<u>Refunds/ Reimbursements</u>	<u>Workshop Revenue</u>	<u>Miscellaneous</u>	<u>Total</u>
2015	\$ 18,504	\$ 1,179,712	\$ 92,186	\$ 19,461	\$ 8,315	\$ 1,318,178
2016	18,330	1,119,853	108,856	6,013	114,347	1,367,399
2017	12,187	1,058,208	7,634	15,520	11,345	1,104,894
2018	36,974	1,120,456	3,416	2,300	25,722	1,188,868
2019	110,368	835,767	280,586	2,855	314,933	1,544,509
2020	122,595	628,088	18,947	250	328,155	1,098,035
2021	14,655	603,965	410,966	-	377,208	1,406,794
2022	12,611	750,811	-	-	417,874	1,181,296
2023	186,620	750,435	-	-	360,365	1,297,420
2024	451,329	672,961	-	-	372,183	1,496,473

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2015	\$ 77,512,874,732	\$ 75,335,444,029	\$ 152,828,462,316	\$ 96,580,480	\$ 152,925,042,796	\$ 163,570,157,295
2016	77,002,654,839	77,328,202,717	154,291,592,456	90,073,801	154,381,666,257	167,963,794,248
2017	77,502,137,732	79,190,477,789	156,692,615,521	90,385,516	156,783,001,037	172,030,836,227
2018	78,049,679,382	80,870,511,380	158,920,190,762	84,076,455	159,004,267,217	176,365,111,170
2019	78,392,045,418	82,037,285,718	160,429,331,136	79,624,118	160,508,955,254	180,143,991,705
2020	79,352,157,168	85,848,771,564	165,200,928,732	80,978,865	165,281,907,597	183,990,874,355
2021	79,736,547,168	86,929,813,322	166,666,360,490	84,305,337	166,750,665,827	186,043,057,570
2022	81,890,490,190	92,833,740,694	174,724,230,884	83,552,257	174,807,783,141	194,949,256,706
2023	84,121,594,136	96,848,485,130	180,970,079,266	68,068,000	181,038,147,266	211,006,053,376
2024	87,325,039,001	101,738,552,447	189,063,591,448	58,582,036	189,122,173,484	227,475,151,295

Source: County Abstract of Ratables

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of true value)

Assessment				
Year	General	Open Space	Total County	Tax Rate
2014	\$ 0.2312	\$ 0.0025	\$	0.2337
2015	0.2377	0.0025		0.2402
2016	0.2434	0.0025		0.2459
2017	0.2417	0.0100		0.2517
2018	0.2351	0.0100		0.2451
2019	0.2338	0.0100		0.2438
2020	0.2384	0.0100		0.2484
2021	0.2416	0.0100		0.2516
2022	0.2315	0.0100		0.2415
2023	0.2286	0.0100		0.2386

Source: County Abstract of Ratables

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
PRIOR YEAR AND NINE YEARS AGO
(Unaudited)**

	2023		2014	
	Assessed Valuation	% of County's Net Assessed Valuation	Assessed Valuation	% of County's Net Assessed Valuation
<u>Taxpayer</u>				

INFORMATION NOT AVAILABLE

**BERGEN COUNTY SPECIAL SERVICES 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	
		Amount	Percentage of Levy
2015	\$ 8,867,475	\$ 8,867,475	100.00%
2016	8,867,475	8,867,475	100.00%
2017	9,577,003	9,577,003	100.00%
2018	9,864,312	9,864,312	100.00%
2019	10,261,598	10,261,598	100.00%
2020	10,518,107	10,518,107	100.00%
2021	10,623,288	10,623,288	100.00%
2022	10,835,754	10,835,754	100.00%
2023	11,052,469	11,052,469	100.00%
2024	11,273,518	11,273,518	100.00%

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			
	<u>Capital Leases</u>	<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
2015		-	926,481	\$0
2016		-	928,381	\$0
2017		-	932,449	\$0
2018		-	932,897	\$0
2019		-	932,256	\$0
2020		-	930,394	\$0
2021		-	953,819	\$0
2022		-	952,997	\$0
2023		-	957,736	\$0
2024		-	957,736 (1)	\$0

Source: District records

(1) Estimated

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
(Unaudited)**

NOT APPLICABLE

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
(Unaudited)**

Net Direct Debt of School District
as of June 30, 2024

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 971,467,303

Bergen County Utilities Authority - Water Pollution (100%)

194,974,842

\$ 1,166,442,145

Total Direct and Overlapping Debt

\$ 1,166,442,145

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	<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>
Legal Debt Margin Calculation as of December 31, (County Debt)									
Average equalized valuation of taxable property (last three years)	\$ 163,894,415,971	\$ 166,824,155,204	\$ 171,055,311,950	\$ 175,460,099,760	\$ 179,773,454,707	\$ 182,930,168,861	\$ 187,397,717,934	\$196,252,922,450	\$209,966,156,157
Debt limit (2% of average equalization value)	3,277,888,319	3,336,483,104	3,421,106,239	3,509,201,995	3,595,469,094	3,658,603,377	3,747,954,359	3,925,058,449	4,199,323,123
Net Debt Issued Outstanding and Authorized	1,089,653,537	1,205,030,344	876,045,885	875,747,791	855,398,427	954,754,121	839,785,818	977,925,631	971,467,303
Remaining Borrowing Capacity	<u>\$ 2,188,234,782</u>	<u>\$ 2,131,452,760</u>	<u>\$ 2,545,060,354</u>	<u>\$ 2,633,454,204</u>	<u>\$ 2,740,070,667</u>	<u>\$ 2,703,849,256</u>	<u>\$ 2,908,168,541</u>	<u>\$ 2,947,132,818</u>	<u>\$ 3,227,855,820</u>

Source: Annual Debt Statements - County of Bergen

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	County Per Capital Personal <u>Income**</u>	Unemployment <u>Rate*</u>
2024	957,736 (1)	N/A	N/A
2023	957,736	N/A	3.9%
2022	952,997	\$ 97,138	3.4%
2021	953,819	97,343	6.0%
2020	930,394	91,972	9.6%
2019	932,256	88,241	2.9%
2018	932,897	85,191	3.4%
2017	932,449	81,024	3.9%
2016	928,381	78,836	4.2%
2015	926,481	77,323	4.6%

(1) Estimate

* Amounts noted are for Bergen County

** Amounts noted are for Bergen County - Source: Bureau of Economic Analysis

Source NJ Department of Labor, Bureau of Labor Force Statistics
U.S. Department of Commerce, Bureau of Economic analysis
New Jersey Department of Labor

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

<u>Employer</u>	<u>2024</u>		<u>2015</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>
	NOT AVAILABLE		NOT AVAILABLE	

Source: County of Bergen

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</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>2024</u>
Instruction										
Special education	299.2	304.9	313.0	293.4	262.0	267.3	274.2	263.0	261.0	263.3
Other special education	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Community Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Support Services:										
Student & instruction related services	74.5	72.7	69.6	71.4	68.4	67.3	67.9	67.8	68.7	67.9
Health Services	10.0	10.0	10.0	10.0	10.8	10.5	10.5	9.7	9.7	9.7
Educational Media Services	9.1	9.1	9.9	9.1	7.0	6.8	6.8	6.8	6.8	7.8
General administration	1.9	2.0	2.0	2.1	2.1	2.1	1.9	1.9	1.9	2.4
School administrative services	22.8	22.8	21.9	20.9	19.2	21.9	23.4	22.4	22.1	22.3
Central services	6.2	6.1	6.1	5.6	6.1	5.9	7.8	7.7	7.7	7.8
Plant operations and maintenance	18.8	20.5	24.0	23.4	24.4	26.4	26.4	27.4	27.9	27.4
Pupil transportation	15.6	12.4	11.9	10.4	11.5	11.5	12.0	12.0	12.0	11.0
Special Schools	27.4	31.4	32.4	32.2	27.7	21.6	16.0	16.1	18.6	17.6
Total	<u>488.0</u>	<u>494.4</u>	<u>503.3</u>	<u>480.8</u>	<u>441.6</u>	<u>443.8</u>	<u>449.4</u>	<u>437.3</u>	<u>438.9</u>	<u>439.7</u>

Source: District Personnel Records

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	654	\$ 66,060,433	\$ 101,010	-4.50%	N/A	N/A	678	626	1.73%	92.33%
2016	653	69,522,614	106,466	5.40%	209	3.12	675	622	-0.44%	92.15%
2017	658	72,516,903	110,208	3.51%	129	5.10	655	602	-2.96%	91.91%
2018	663	68,971,598	104,030	-5.61%	127	5.22	642	590	-1.98%	91.90%
2019	614	71,338,980	116,187	0.12	119	5.16	612	563	-4.67%	91.99%
2020	595	70,434,682	118,378	1.89%	109	5.46	588	535	-3.92%	90.99%
2021	594	69,395,689	116,828	-1.31%	109	5.45	603	561	2.55%	93.03%
2022	555	72,557,350	130,734	11.90%	112	4.96	578	501	-4.15%	86.68%
2023	584	75,014,381	128,449	-1.75%	113	5.17	590	517	2.08%	87.63%
2024	573	80,409,404	140,331	9.25%	117	4.90	596	529	1.02%	88.76%

Sources: District records

Note: a Enrollment based on annual October district count.
b Governmental Funds operating expenditures equal total expenditures less debt service and capital outlay.
c Cost per pupil represents operating expenditures divided by enrollment.

N/A - Not Available

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

<u>District Building</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>2024</u>
Union St. School- Hackensack										
Square Feet	8,060	8,060	8,060	8,060	8,060	8,060	8,060	8,060	8,060	8,060
Capacity (students)										
Enrollment	61	54	52	41	23	25	23	26	19	15
Woodridge Transition Center										
Square Feet	19,261	19,261	19,261	19,261	19,261	19,261	19,261	19,261	19,261	19,261
Capacity (students)										
Enrollment	52	44	43	44	37	36	33	29	27	29
Rocco Montesano, Paramus										
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (students)										
Enrollment	132	90	85	76	70	74	78	72	71	70
Brownstone, Saddle Brook										
Square Feet	20,106	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096
Capacity (students)										
Enrollment	76	64	55	66	72	88	73	80	80	79
Gateway/Venture, Hackensack										
Square Feet	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Capacity (students)										
Enrollment	36	40	38	31	29	34	30	28	26	26
Godwin, Midland Park										
Square Feet	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Capacity (students)										
Enrollment	98	98	102	96	76	76	124	125	134	132
Springboard										
Square Feet				4,300	4,300	4,300	4,300	4,300	4,300	4,300
Capacity (students)										
Enrollment				30	27	29	30	33	40	38
Washington New Bridges										
Square Feet		125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Capacity (students)										
Enrollment		122	132	123	130	130	121	126	126	127
Number of Schools at June 30, 2024										
Life Skills Continuum=2										
Communication Skills Continuum=3										
Behavioral Skills Continuum=6										
Multiple Disabilities Continuum=4										
Autism Continuum=3										

Source: District Records

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

<u>School Facilities</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>2024</u>
Union St. - Hrg. Imp., Hackensack	\$ 17,100	\$ 11,122	\$ 12,483	\$ 18,863	\$ 18,489	\$ 16,083	\$ 21,551	\$ 18,883	\$ 15,493	\$ 20,550
Woodridge Transition Center	40,868	43,849	29,830	45,076	44,182	38,435	51,501	45,125	37,023	49,116
Rocco Montesano, Paramus	84,871	55,214	61,949	93,609	91,755	79,819	106,954	93,712	76,888	102,000
Brownstone, Saddle Brook	42,640	27,738	31,123	47,029	46,098	40,101	53,734	47,081	38,628	51,245
Gateway, Hackensack/Paramus	21,218	13,801	15,487	23,402	22,939	19,955	26,738	23,428	19,222	22,500
Godwin, Midland Park	5,304	3,450	3,872	5,851	5,735	4,989	6,685	5,857	4,805	6,042
Washington, New Bridges		169,095	193,592	292,529	286,735	249,433	334,231	292,849	240,275	322,089
Washington, Ridgewood	21,218	-	-	-	-	-	-	-	-	-
	<u>\$ 233,219</u>	<u>\$ 324,269</u>	<u>\$ 348,336</u>	<u>\$ 526,359</u>	<u>\$ 515,933</u>	<u>\$ 448,815</u>	<u>\$ 601,394</u>	<u>\$ 526,935</u>	<u>\$ 432,334</u>	<u>\$ 573,542</u>

Source: District records.

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF INSURANCE
JUNE 30, 2024
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Educators Legal Liability United National	\$ 2,000,000	\$ 50,000
Student Accident Policy People Benefit Life Insurance Company	Full Excess	
Commercial Crime Bond CNA	250,000	1,000

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Bergen County Special Services School District's basic financial statements and have issued our report thereon dated January 8, 2025.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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 were not identified.

Report on Compliance and Other Matters

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

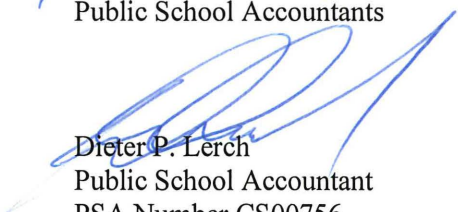
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergen County Special Services School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 8, 2025.

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 Bergen County Special Services School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Special Services School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 8, 2025



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Bergen County Special Services School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bergen County Special Services School District's major federal and state programs for the fiscal year ended June 30, 2024. The Bergen County Special Services School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Bergen County Special Services School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Bergen County Special Services School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Bergen County Special Services School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Bergen County Special Services School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

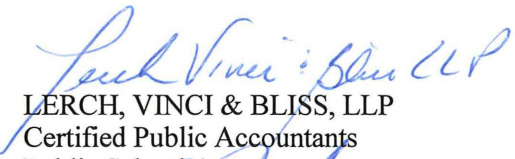
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

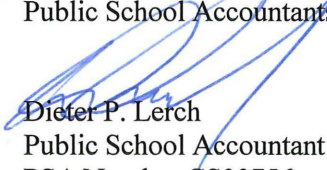
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District, a component unit of the County of Bergen, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 8, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 8, 2025

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

										Balance June 30, 2024				
Federal Grantor/Pass-Through Grantor Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2023	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	(Accounts Receivable)	Unearned Revenues	Due to Grantor	Memo GAAP Receivable	
U.S. Department of Agriculture														
Pass-through State Department of Agriculture														
Enterprise Fund														
School Breakfast Program	10.553	231NJ304N1099	7/1/23-6/30/24	\$ 73,999			\$ 68,257	\$ 73,999		\$ (5,742)			\$ 5,742	
School Breakfast Program	10.553	221NJ304N1099	7/1/22-6/30/23	98,356	\$ (7,181)		7,181							
Supply Chain Assistance Funding	10.555	221NJ344N8903	7/1/22-6/30/23	15,693			15,693	15,693						
National School Lunch Program	10.555													
Cash Assistance-PB Program		231NJ304N1099	7/1/23-6/30/24	3,506			3,278	3,506		(228)			228	
Cash Assistance-PB Program		221NJ304N1099	7/1/22-6/30/23	3,304	(280)		280							
Cash Assistance		231NJ304N1099	7/1/23-6/30/24	138,795			129,355	138,795		(9,440)			9,440	
Cash Assistance		221NJ304N1099	7/1/22-6/30/23	182,687	(12,681)		12,681							
Non-cash Assistance		231NJ304N1099	7/1/23-6/30/24	31,128	2,474	-	31,128	33,028	-	-	\$ 574	-	-	
Total Enterprise Fund / Child Nutrition Cluster					(17,668)	-	267,853	265,021	-	(15,410)	574	-	15,410	
U.S. Department of Education														
Pass-through State Department of Education														
General Fund (Includes Internal Services)														
Medicaid Assistance Program	93.778	2005NJ5MAP	7/1/23-6/30/24	390,734	-	-	390,734	390,734	-	-	-	-	-	
Total General Fund					-	-	390,734	390,734	-	-	-	-	-	
Special Revenue Fund														
Title I Part D	84.013A	S013A220030	7/1/23-9/30/24	23,061			22,521	23,061		(540)			540	
Title I Part D	84.013A	S013A210030	7/1/22-9/30/23	34,206	(4,910)	-	4,910	-	-	-	-	-	-	
Total Title I Part D					(4,910)	-	27,431	23,061	-	(540)	-	-	540	
Education for Homeless Children and Youth	84.196A	S196A200031	7/1/23-6/30/24	331,874			256,387	314,932		(58,545)			58,545	
Education for Homeless Children and Youth	84.196A	S196A220031	7/1/22-6/30/23	250,065	(20,218)	-	20,218	-	-	-	-	-	-	
Total Education for Homeless Children/Youth					(20,218)	-	276,605	314,932	-	(58,545)	-	-	58,545	
Coronavirus Aid, Relief and Economic														
American Rescue Plan														
ARP - ESSER	84.425U	S425U210027	1/1/22-9/30/24	414,126	(4,200)		5,583	1,383		-			-	
ARP - ESSER Juvenile Justice	84.425U		7/1/23-6/30/24	40,000	-		40,000	40,000		-	-	-	-	
ARP - Homeless I	84.425W	22E00185	6/1/21-9/30/24	540,655	(87,567)		249,531	184,810		(22,846)			22,846	
ARP - Homeless II	84.425W	S425W210031	4/23/21-9/30/24	739,068	(130,043)		289,139	259,537		(100,441)	-	-	100,441	
Total ESSER Cluster					(221,810)	-	584,253	485,730	-	(123,287)	-	-	123,287	
Medicaid Assistance Programs														
Getting Us There (GUTS)	93.778	2005NJ5MAP	7/1/23-6/30/24	2,945	8,382			-			8,382			
Leisure Bridges	93.778	2005NJ5MAP	7/1/23-6/30/24	74,301	150,874		114,913	74,301			191,486			
Adult Rehab Woodridge	93.778	2005NJ5MAP	7/1/23-6/30/24	677,385	51,469		629,052	677,385			3,136			
Adult Rehab Paramus	93.778	2005NJ5MAP	7/1/23-6/30/24	1,170,622	37,865	-	1,175,689	1,170,622	-	-	42,932	-	-	
Total Medicaid Assistance Programs Cluster					248,590	-	1,919,654	1,922,308	-	-	245,936	-	-	
Total Special Revenue Funds					1,652	-	2,807,943	2,746,031	-	(182,372)	245,936	-	182,372	
Total Federal Financial Assistance					\$ (16,016)	\$ -	\$ 3,466,530	\$ 3,401,786	\$ -	\$ (197,782)	\$ 246,510	\$ -	\$ 197,782	

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

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2023	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balance	Balance June 30, 2024			MEMO	
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education													
<u>General/Special Revenue and Internal Service Funds</u>													
Reimbursed Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	\$ 2,404,607			\$ 2,289,492	\$ 2,404,607		\$ (115,115)			\$ 115,115	\$ 2,404,607
On Behalf Pension System Contributions - Post Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	3,145,539			3,145,539	3,145,539						3,145,539
On Behalf Pension System Contributions - Normal Costs	24-495-034-5094-002	7/1/23-6/30/24	11,427,217			11,427,217	11,427,217						11,427,217
On Behalf Pension System Contributions - Non-Contributory Group Insurance	24-495-034-5094-004	7/1/23-6/30/24	130,321			130,321	130,321						130,321
On Behalf Pension System Contributions - Long Term Disability Insurance	24-495-034-5094-002	7/1/23-6/30/24	4,051	-	-	4,051	4,051	-	-	-	-	-	4,051
Total General/Special Revenue and Internal Service Funds				-	-	16,996,620	17,111,735	-	(115,115)	-	-	115,115	17,111,735
<u>Special Revenue Fund</u>													
Other State Sources													
New Jersey Dept of Developmental Disabilities Adult Training	01BS9N	7/1/23-6/30/24	28,306	\$ -	-	25,604	28,306	\$ -	(2,702)	-	\$ -	2,702	28,306
Total NJ Dept of Developmental Disabilities-Special Revenue				-	-	25,604	28,306	-	(2,702)	-	-	2,702	28,306
Total Special Revenue Fund				-	-	25,604	28,306	-	(2,702)	-	-	2,702	28,306
State Department of Agriculture													
<u>Enterprise Fund</u>													
National School Breakfast Program State Share	24-100-010-3350-023	7/1/23-6/30/24	6,724	-		6,182	6,724		\$ (542)			\$ 542	6,724
National School Breakfast Program State Share	23-100-010-3350-023	7/1/22-6/30/23	1,835	(158)		158						-	-
Breakfast After the Bell	23-100-010-3350-023	7/1/22-6/30/23	3,237	(283)		283						-	-
National School Lunch Program State Share	23-100-010-3350-023	7/1/22-6/30/23	7,572	(450)		450						-	-
National School Lunch Program State Share	24-100-010-3350-023	7/1/23-6/30/24	8,572	-	-	7,943	8,572	-	(629)	-	-	629	11,465
Total Enterprise Fund				(891)	-	15,016	15,296	-	(1,171)	-	-	1,171	18,189
Total State Financial Assistance Subject to Single Audit Determination				(891)	-	17,037,240	17,155,337	-	(118,988)	-	-	118,988	17,158,230
State Financial Assistance Not Subject to Single Audit Determination													
<u>Less Amounts Not Subject to Single Audit:</u>													
On Behalf Pension System Contributions - Post Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	3,145,539			(3,145,539)	(3,145,539)						
On Behalf Pension System Contributions - Normal Costs	24-495-034-5094-002	7/1/23-6/30/24	11,427,217			(11,427,217)	(11,427,217)						
On Behalf Pension System Contributions - Non-Contributory Group Insurance	24-495-034-5094-004	7/1/23-6/30/24	130,321			(130,321)	(130,321)						
On Behalf Pension System Contributions - Long Term Disability Insurance	24-495-034-5094-002	7/1/23-6/30/24	4,051			(4,051)	(4,051)						
Total State Financial Assistance Subject to Major Program Determination				\$ (891)	\$ -	\$ 2,330,112	\$ 2,448,209	\$ -	\$ (118,988)	\$ -	\$ -	\$ 118,988	\$ 17,158,230

The Notes to the Schedules of Expenditures of Federal Assistance and State Financial Assistance are an integral part of this statement

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 REPORTING ENTITY

The Bergen County Special Services School District (the "Board" or the "District") received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board's Financial Statements.

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$77,574 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 290,734	\$ 8,290,763	\$ 8,581,497
Special Revenue Fund	2,835,049	1,703,813	4,538,862
Internal Service Fund	100,000	5,193,564	5,293,564
Food Service Fund	<u>265,021</u>	<u>15,296</u>	<u>280,317</u>
Total Financial Assistance	<u>\$ 3,490,804</u>	<u>\$ 15,203,436</u>	<u>\$ 18,694,240</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,404,607 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$11,557,538, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$3,145,539 and TPAF Long-Term Disability Insurance in the amount of \$4,051 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor's Results

Financial Statements

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Were any significant deficiencies over internal control identified? yes X no

2) If applicable, were any such significant deficiencies considered to be material weakness(es)? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

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 section .510(a) of U.S. Uniform Guidance? yes X no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>93.778</u>	<u>2005NJ5MAP</u>	<u>Adult Rehab Paramus</u>
<u>93.778</u>	<u>2005NJ5MAP</u>	<u>Adult Rehab Woodridge</u>
<u>93.778</u>	<u>2005NJ5MAP</u>	<u>Leisure Bridges</u>

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

Auditee qualified as low-risk auditee? X yes no

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

(1) Were any significant deficiencies in internal control over major programs identified?

_____ yes X no

2) If applicable, were any such significant deficiencies considered to be material weakness(es)?

_____ yes X none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08?

_____ X no

Identification of major state programs:

GMIS Number

Name of State Program or Cluster

24-495-034-5094-003

Reimbursed Social Security Contributions

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

CURRENT YEAR STATE AWARDS

There are none.

CURRENT YEAR FEDERAL AWARDS

There are none.