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**BERGEN COUNTY**  
**Special Services School District**

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**Annual  
Comprehensive  
Financial Report  
For The Fiscal Year  
Ended June 30, 2022**

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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, 2022**

**Prepared by**

**Bergen County Special Services**

**School District**

**Business Department**

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BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

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District Administration Office

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

February 17, 2023

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 financial report of the Bergen County Special Services for the fiscal year ended June 30, 2022.

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, 2022, 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, 2022, 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 annual comprehensive 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 2021-22 fiscal year with an average daily enrollment of 578.1 students, which is 14.2 students less 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>
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%)
2013-14	678.0	1.73 %
2012-13	667.0	(4.10) %

**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 (487,000) 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, 2022.

**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, 2022 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 Chosen Freeholders 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,



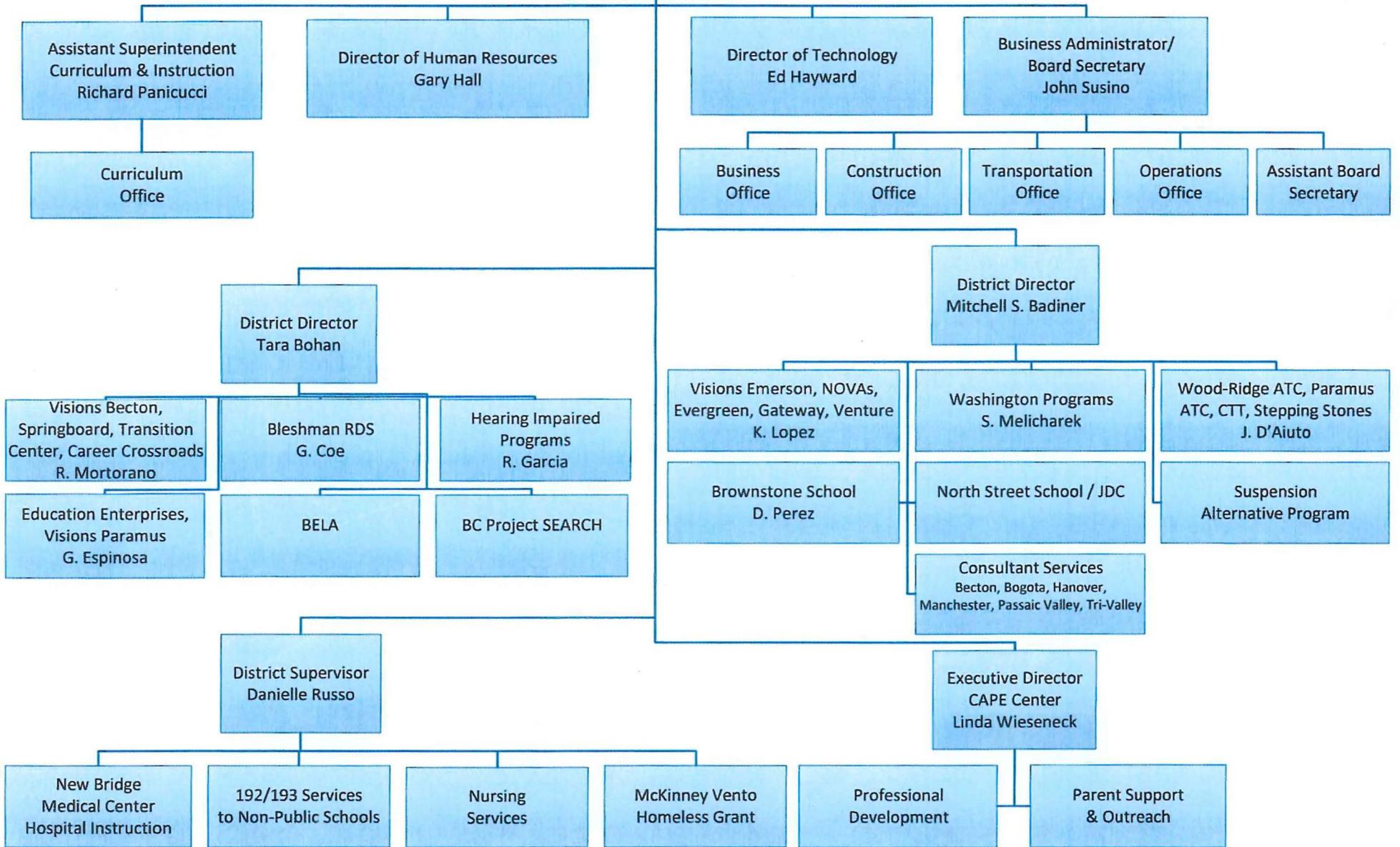
Dr. Howard Lerner  
Superintendent



John Susino  
Business Administrator/Board Secretary

# BCSS Administrative Plan 2021-2022

Superintendent  
Howard Lerner, Ed.D.



**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
BERGEN COUNTY, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2022**

**COUNTY EXECUTIVE**

James J. Tedesco III

**MEMBERS OF THE BOARD OF COMMISSIONERS**

Tracey S. Zur – Chairwoman  
Thomas J. Sullivan – Vice Chairman  
Dr. Joan M. Voss – Chair Pro Tempore  
Mary J. Amoroso  
Ramon M. Hache, Sr  
Germaine M. Ortiz  
Steven A. Tanelli

**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  
Interim Executive County Superintendent  
Bergen County Office of Education

**OTHER OFFICIALS**

Superintendent	Dr. Howard Lerner
Business Administrator/Board Secretary	John Susino
Director of Personnel	Gary Hall
District Director of Instruction	Mitchell Badiner
District Director of Instruction	Tara Bohan
Supervisor of Instruction 192/193	Danielle Russo
Principal, Bleshman	Gail Coe
Supervisor, North Street School	Reginald Marc
Principal, Brownstone	David Perez
Principal, Washington Programs	Sandra Melicharek
Principal, Nova, Emerson, Evergreen, Venture, Gateway	Kelly Lopez
Principal, Hearing Impaired	Rasheda Garcia
Principal, Springboard, Transition Center, Visions	Robert Mortorano

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Consultants and Advisors

Architects

DMR Architects

Rivardo, Schnitzer and Capazzi

LAN Associates

DiCara, Rubino Architects

AECOM

Settembrino Architects

Audit Firm

Lerch, Vinci and Bliss, LLP

Attorney

Nowell, P.A.

Engineers

Remington and Vernick

LAN Associates

T&M Associates

CME Associates

Boswell Engineering

Neglia Engineering

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  
CHRISTOPHER VINCI, CPA, PSA  
CHRISTINA 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 accompanying 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, 2022 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 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, 2022, 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.

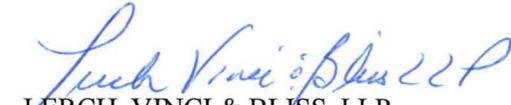
### ***Other Information***

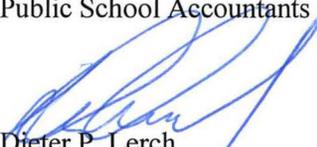
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial 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 February 17, 2023 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

Fair Lawn, New Jersey  
February 17, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

As management of the Bergen County Special Services School District, we offer readers of the Bergen County Special Services School District's financial statements this narrative overview and analysis of the financial activities of the School District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year include the following:

- The assets and deferred outflows of resources of Bergen County Special Services School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$26,565,583 (net position).
- The District's total net position increased by \$7,756,002.
- Overall district-wide revenues were \$121,798,051, which were \$7,756,002 more than expenses.
- As of the close of the current fiscal year, the District's governmental funds reported combining ending fund balances of \$17,668,139. Of this amount, \$3,405,043 is available for spending at the District's discretion (unassigned fund balance – General Fund).

### 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:

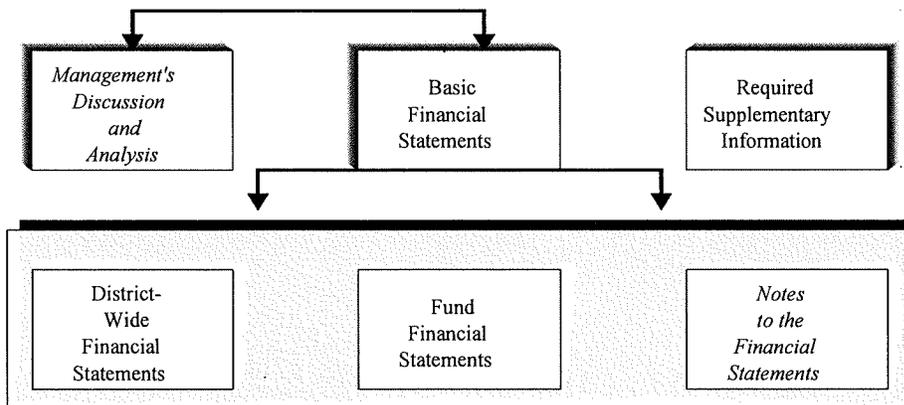
# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

- 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. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1



**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**Management’s Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

Figure A-2 summarizes 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. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

**Figure A-2**

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, building maintenance, transportation, and administration.	Activities the district operates similar to private businesses: Internal Service funds and Enterprise Funds
Required financial Statements	Statements of net position Statement of activities	Balance Sheet Statement of Revenue, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund 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 and 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 and liabilities, deferred inflows, both financial and capital, and short-term and long-term
Type of inflow/outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or Services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

**District-wide 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/inflows of resources and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District’s *net position* and how they have changed. Net position – the difference between the District’s assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District’s financial health or *position*.

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

- 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 special education, transportation, administration, and community education. County taxes, tuition charged to other school districts and State and Federal aid finance most of these activities.
- *Business-type activities* – The District charges fees to help cover the costs of certain services it provides. The District's food service operations are 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.
- 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).

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 uses *internal service funds* to report activities that provide supplies and services for the District's other programs and activities. The district currently has twelve internal service funds for the following:

- Bleshman Regional Day School
- One to One Aides
- Extended Year Program
- ETTC
- Career Crossroads
- Home Hospital
- Education Enterprise
- Management Agreement
- Compensated Absences
- Interlocal Agreements
- Project Search

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

The District uses *enterprise funds* 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. The District currently has one enterprise fund for its food service (cafeteria) program.

**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 financial statements.

**Other Information.** In addition to the basic 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.

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

### DISTRICT-WIDE FINANCIAL ANALYSIS

As noted earlier net position may serve over time as a useful indicator of a government's financial position. The District's *combined* net position was \$26,565,583 on June 30, 2022 compared to \$18,809,581 as restated, on June 30, 2021. See Table A-1

**Table A-1  
Net Position  
As of June 30, 2022 and 2021**

	Governmental Activities		Business- Type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)
<b>Assets</b>						
Current Assets	\$ 26,908,512	\$ 27,725,794	\$ 117,187	\$ 102,546	\$ 27,025,699	\$ 27,828,340
Capital Assets	60,553,573	58,851,054	10,838	12,515	60,564,411	58,863,569
<b>Total Assets</b>	<b>87,462,085</b>	<b>86,576,848</b>	<b>128,025</b>	<b>115,061</b>	<b>87,590,110</b>	<b>86,691,909</b>
<b>Deferred Outflows</b>	<b>6,393,737</b>	<b>9,214,939</b>	-	-	6,393,737	9,214,939
<b>Total Assets and Deferred Outflows</b>	<b>93,855,822</b>	<b>95,791,787</b>	<b>128,025</b>	<b>115,061</b>	<b>93,983,847</b>	<b>95,906,848</b>
<b>Liabilities</b>						
Long-Term Liabilities	39,151,130	50,125,979	-	-	39,151,130	50,125,979
Other Liabilities	4,599,550	5,829,655	4,222	26,694	4,603,772	5,856,349
<b>Total Liabilities</b>	<b>43,750,680</b>	<b>55,955,634</b>	<b>4,222</b>	<b>26,694</b>	<b>43,754,902</b>	<b>55,982,328</b>
<b>Deferred Inflows</b>	<b>23,661,167</b>	<b>21,113,859</b>	<b>2,195</b>	<b>1,080</b>	23,663,362	21,114,939
<b>Total Liabilities and Deferred Inflows</b>	<b>67,411,847</b>	<b>77,069,493</b>	<b>6,417</b>	<b>27,774</b>	<b>67,418,264</b>	<b>77,097,267</b>
<b>Net Position</b>						
Net Investment in capital assets	60,553,573	58,851,054	10,838	12,515	60,564,411	58,863,569
Restricted	9,830,608	9,327,507	-	-	9,830,608	9,327,507
Unrestricted	(43,940,206)	(49,456,267)	110,770	74,772	(43,829,436)	(49,381,495)
<b>Total Net Position</b>	<b>\$ 26,443,975</b>	<b>\$ 18,722,294</b>	<b>\$ 121,608</b>	<b>\$ 87,287</b>	<b>\$ 26,565,583</b>	<b>\$ 18,809,581</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

By far, the largest portion of the Bergen County Special Services net position reflects its investment in capital assets (i.e., machinery and equipment); less any reflected 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 use. Resources need to repay this debt (i.e., capital leases) must be provided by other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the District was able to report a positive balance in the net position for the government as a whole.

**Table A-2  
Change in Net Position  
For the Fiscal Years Ended June 30, 2022 and 2021**

	Governmental Activities		Business- Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 78,806,893	\$ 77,810,241	\$ 14,660	\$ 2,818	\$ 78,821,553	\$ 77,813,059
Operating Grants and Contributions	29,067,911	34,748,201	498,368	184,969	29,566,279	34,933,170
Capital Grants and Contributions	1,393,169	1,526,228	-	-	1,393,169	1,526,228
General Revenues						
County Property Taxes	10,835,754	10,623,288	-	-	10,835,754	10,623,288
Investment Earnings	12,611	14,655	-	-	12,611	14,655
Miscellaneous	1,168,685	1,392,139	-	-	1,168,685	1,392,139
<b>Total Revenues</b>	<b>121,285,023</b>	<b>126,114,752</b>	<b>513,028</b>	<b>187,787</b>	<b>121,798,051</b>	<b>126,302,539</b>
<b>Expenses</b>						
Instruction						
Special Education	68,974,993	74,805,566	-	-	68,974,993	74,805,566
Support Services						
Student and Instruction Related Services	25,910,009	29,123,984	-	-	25,910,009	29,123,984
School Administration Services	4,883,343	5,552,701	-	-	4,883,343	5,552,701
General Administration	1,198,892	1,066,715	-	-	1,198,892	1,066,715
Plant Operations and Maintenance	9,094,816	9,786,931	-	-	9,094,816	9,786,931
Pupil Transportation	1,523,415	2,056,277	-	-	1,523,415	2,056,277
Business/Central Svcs/Admin. Info. Tech.	1,977,874	2,278,400	-	-	1,977,874	2,278,400
Food Services	-	-	478,707	281,148	478,707	281,148
<b>Total Expenses</b>	<b>113,563,342</b>	<b>124,670,574</b>	<b>478,707</b>	<b>281,148</b>	<b>114,042,049</b>	<b>124,951,722</b>
<b>Increase (Decrease) in Net Position Before Transfers</b>	<b>7,721,681</b>	<b>1,444,178</b>	<b>34,321</b>	<b>(93,361)</b>	<b>7,756,002</b>	<b>1,350,817</b>
<b>Transfers</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>7,721,681</b>	<b>1,344,178</b>	<b>34,321</b>	<b>6,639</b>	<b>7,756,002</b>	<b>1,350,817</b>
<b>Beginning of Year, Net Position</b>	<b>18,722,294</b>	<b>17,378,116</b>	<b>87,287</b>	<b>68,133</b>	<b>18,809,581</b>	<b>17,446,249</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,515</b>	<b>-</b>	<b>12,515</b>
<b>End of Year, Net Position</b>	<b>\$ 26,443,975</b>	<b>\$ 18,722,294</b>	<b>\$ 121,608</b>	<b>\$ 87,287</b>	<b>\$ 26,565,583</b>	<b>\$ 18,809,581</b>

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

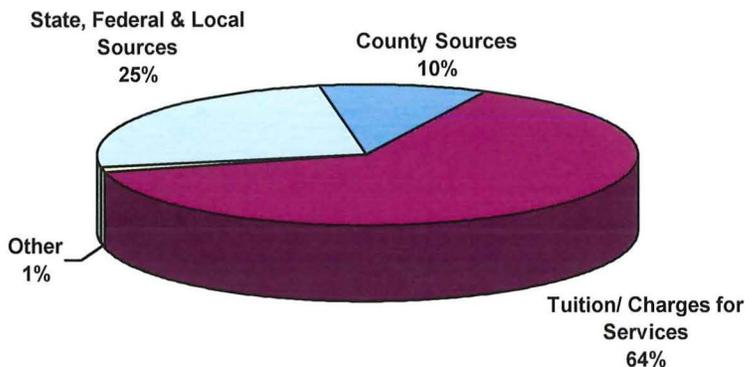
**Governmental Activities.** The District's total governmental activities revenues were \$121,285,023 for the fiscal year ended June 30, 2022, a decrease of \$4,829,729 (3 percent) from the previous year. Tuition and charges for services accounted for 64 percent of total revenues. County property taxes and capital grants and contributions account for 10% percent of total revenue for the year. Another 25 percent came from state and federal grants, contributions and aid, the remaining balance of 1% came from investment earnings, and other miscellaneous revenues.

The total cost of all governmental activities programs and services was \$113,563,342, a decrease of \$11,107,232 (9 percent) from the previous year. The District's expenses are predominantly related to educating and caring for students with special needs.

Total governmental activities revenues were more than expenses, increasing net position by \$7,721,681 from the previous year.

- The cost of all governmental activities this year was \$113,563,342.
  - Some of the cost was paid by the users of the District's programs and tuition charges for a total of \$78,806,893, an increase of \$996,652 (1 percent).
  - The federal and state governments subsidized certain programs with grants, contributions and aid of \$29,067,911, a decrease of \$5,680,290 (16 percent). This decrease was primarily a result of a decrease in state on-behalf revenues and expenditures.
  - In addition, the District also received \$1,393,169 in capital contributions from the County to fund capital projects during the year, a decrease of \$133,059 from the prior year.
  - District's costs in the amount of \$10,835,754 were provided by County sources from property taxes, an increase of \$212,466 over the prior year.

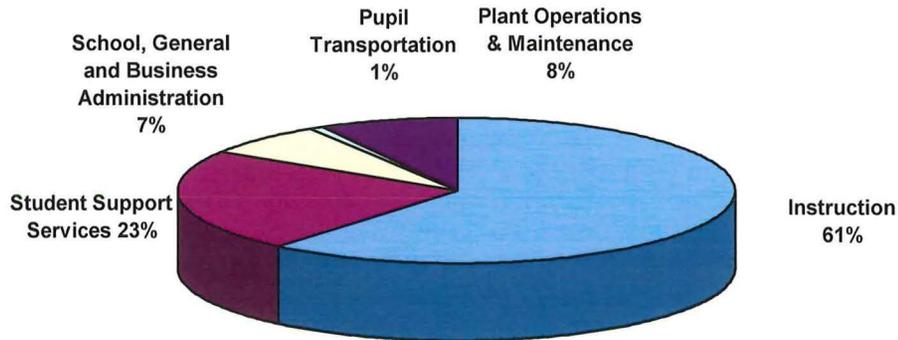
**Table A-3 Revenues by Source- Governmental Activities  
For Fiscal Year 2022**



**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

**Table A-4 Expenditures by Type- Governmental Activities  
For Fiscal Year 2022**



For the most part, increases in certain expenses closely paralleled inflation and the growth in the demand for services while others decreased.

The District's total cost of services was \$113,563,342. After applying program revenues derived from charges for services of \$78,806,893 operating grants and contributions of \$29,067,911 and capital grants and contributions of \$1,393,169, the net cost of services to the District was \$4,295,369. See Table A-5.

**Table A-5  
Total and Net Cost of Governmental Activities  
For the Fiscal Years Ended June 30, 2022 and 2021**

	Total Cost of Services		Net (Revenue) Cost of Services	
	2022	2021	2022	2021
Instruction				
Special Education	\$ 68,974,993	\$ 74,805,566	\$ (18,200,011)	\$ (16,985,465)
Support Services				
Student and Instruction Related Services	25,910,009	29,123,984	10,730,463	12,412,457
School Administrative Services	4,883,343	5,552,701	2,641,594	3,674,120
General Administrative Services	1,198,892	1,066,715	1,031,486	1,012,042
Plant Operations and Maintenance	9,094,816	9,786,931	6,351,709	7,534,984
Pupil Transportation	1,523,415	2,056,277	1,277,521	2,056,277
Other Support Services-Business/Central Svc./Admin. Info. Tech.	1,977,874		462,607	
	-	2,278,400	-	881,489
<b>Total</b>	<b>\$ 113,563,342</b>	<b>\$ 124,670,574</b>	<b>\$ 4,295,369</b>	<b>\$ 10,585,904</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

**Management’s Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

**Business-Type Activities** –The District’s total business-type activities revenues were \$513,028 for the year ended June 30, 2022, an increase of \$325,241 from the previous year. Charges for services accounted for 3% of total revenues. Operating grants and contributions accounted for 97% of total revenue for the year.

The District’s expenses are related to Food Service programs provided to all students, teachers and administrators within the District.

Total business-type activities expenses were less than revenues, increasing net position by \$34,321 from the last year.

The cost of all business-type activities this year was \$478,707.

- Some of the cost was paid by the users of the District’s Food Service program for a total of \$14,660, an increase of \$11,842 from the previous year.
- The Federal and State governments subsidized the Food Service program with grants and contributions of \$498,368, an increase of \$313,399 from the previous year. This increase is a result of an increase in meals served during the year.

**FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS**

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 \$17,668,139, an increase of \$312,797 from last year’s fund balance of \$17,355,342. \$3,405,043 of fund balance at year-end is available as fund resources for future use. The remainder of fund balance is assigned or restricted to indicate that it is not available for new spending because it has been earmarked 1) to liquidate contracts and purchase orders of the prior period \$3,532,488; 2) restricted for capital purposes \$8,167,630; 3) restricted for maintenance \$991,313; 4) restricted for unemployment claims \$578,765; 5) restricted for student activities \$24,519; 6) restricted for scholarship \$68,381; or 7) designated for appropriation in the 2022/2023 budget \$900,000.

Revenues for the District’s governmental funds were \$76,992,363, while total expenses were \$76,679,566.

**General Fund**

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

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase <u>(Decrease)</u>	Percent Increase <u>(Decrease)</u>
Local Sources				
County Property Taxes	\$ 10,835,754	\$ 10,623,288	\$ 212,466	2%
Tuition	42,822,049	42,396,528	425,521	1%
Investment Earnings	12,611	14,655	(2,044)	-14%
Miscellaneous	1,168,685	2,633,875	(1,465,190)	-56%
State Sources	8,140,478	7,203,300	937,178	13%
Federal Sources	<u>366,583</u>	<u>355,204</u>	<u>11,379</u>	3%
 Total General Fund Revenue	 <u>\$ 63,346,160</u>	 <u>\$ 63,226,850</u>	 <u>\$ 119,310</u>	 0.2%

Total General Fund Revenues increased by \$119,310 or 0.2% from the previous year.

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

### General Fund (Continued)

County Property Taxes increased 2% over the previous year. Tuition, which represents 68% of total General Fund revenues for the year, increased 1% from the previous year.

Revenue from federal sources increased \$11,379 due to an increase in revenues received for Medicaid reimbursement. Revenues from state sources increased by \$937,178 largely due to an increase in the on-behalf contributions.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction	\$ 33,720,573	\$ 32,511,084	\$ 1,209,489	4%
Support Services	26,292,460	27,341,552	(1,049,092)	-4%
Capital Outlay	<u>3,149,504</u>	<u>4,245,595</u>	<u>(1,096,091)</u>	-26%
Total General Fund Expenditures	<u>\$ 63,162,537</u>	<u>\$ 64,098,231</u>	<u>\$ (935,694)</u>	-1.5%

Total General Fund expenditures decreased \$935,694 or 1.5% from the previous year.

In Fiscal Year 2022, General Fund revenues were more than expenditures by \$183,623. The fund balance increased from \$16,304,825 at June 30, 2021 to \$16,488,448 at June 30, 2022.

### 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 \$12,446,203 for the year ended June 30, 2022. Local sources account for the majority of the Special Revenue Funds' revenues, which represented 58% of the total revenue for the year. The majority of the local sources comes from other LEAs that contract with Bergen County Special Services to provide services in conjunction with nonpublic allotments.

Total Special Revenue Fund revenues increased \$2,360,021 or 19% from the previous year.

Expenditures of the Special Revenue Fund were \$12,440,283. Special Education instructional expenditures were \$6,779,505 or 54% of the total expended for the year ended June 30, 2022.

Total Special Revenue Fund expenditures increased \$2,353,844 or 19% from the previous year.

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

### Capital Projects Fund

The capital projects revenues were more than expenditures by \$123,254 resulting in a fund balance of \$1,086,791 at June 30, 2022.

### 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 were more than expenditures by \$819,720 resulting in a fund balance of \$5,740,256 at June 30, 2022 up from \$4,920,536, as restated, at June 30, 2021.

### CAPITAL ASSETS

By the end of June 30, 2022, the District had invested \$60,564,411 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. See Table A-6 for details. Depreciation charges for the fiscal year 2021-2022 amounted to \$3,139,391 for governmental activities and \$1,677 for business-type activities.

**Table A-6  
Capital Assets  
As of June 30, 2022 and 2021**

	Governmental Activities		Business- Type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)
Buildings	\$ 67,984,332	\$ 63,919,184			\$ 67,984,332	\$ 63,919,184
Improvements Other Than Buildings	1,126,587	1,522,707			1,126,587	1,522,707
Leasehold Improvements	7,565,113	7,565,113			7,565,113	7,565,113
Machinery and Equipment	<u>15,607,331</u>	<u>20,403,377</u>	<u>\$ 25,724</u>	<u>\$ 25,724</u>	<u>15,633,055</u>	<u>20,429,101</u>
<b>Total Capital Assets</b>	92,283,363	93,410,381	25,724	25,724	92,309,087	93,436,105
Less Accumulated Depreciation	<u>(31,729,790)</u>	<u>(34,559,327)</u>	<u>(14,886)</u>	<u>(13,209)</u>	<u>(31,744,676)</u>	<u>(34,572,536)</u>
<b>Capital Assets, Net</b>	<u>\$ 60,553,573</u>	<u>\$ 58,851,054</u>	<u>\$ 10,838</u>	<u>\$ 12,515</u>	<u>\$ 60,564,411</u>	<u>\$ 58,863,569</u>

Additional information on the District's capital assets is presented in the "Notes to the Financial Statements" of this report.

# **BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

## **Management's Discussion and Analysis Fiscal Year Ended June 30, 2022**

### **LONG TERM LIABILITIES**

At year-end, the District's long-term liabilities for its governmental activities consisted of compensated absences payable of \$2,166,560 and net pension liability payable of \$36,984,570.

Additional information on the Districts long-term liabilities is presented in the "Notes to the Financial Statements" of this report.

### **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 2022-2023 budget. The primary factors were the District's projected student population, anticipated county, state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2022-2023.

Three goals served as the foundation for the development of the 2022/2023 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 2022/2023 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, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 16,747,090	\$ 66,793	\$ 16,813,883
Receivables, net	10,060,291	37,634	10,097,925
Security Deposit	44,100		44,100
Prepaid Expenses	57,031		57,031
Inventories		12,760	12,760
Capital Assets, net of accumulated depreciation	<u>60,553,573</u>	<u>10,838</u>	<u>60,564,411</u>
Total Assets	<u>87,462,085</u>	<u>128,025</u>	<u>87,590,110</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>6,393,737</u>	<u>-</u>	<u>6,393,737</u>
Total Assets and Deferred Outflow of Resources	<u>93,855,822</u>	<u>128,025</u>	<u>93,983,847</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	2,659,525		2,659,525
Intergovernmental Payable	201,342		201,342
Unearned Revenue	1,738,683	4,222	1,742,905
Noncurrent Liabilities			
Due beyond one year	<u>39,151,130</u>	<u>-</u>	<u>39,151,130</u>
Total Liabilities	<u>43,750,680</u>	<u>4,222</u>	<u>43,754,902</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Commodities Revenue		2,195	2,195
Deferred Amounts on Net Pension Liability	<u>23,661,167</u>	<u>-</u>	<u>23,661,167</u>
Total Deferred Inflows of Resources	<u>23,661,167</u>	<u>2,195</u>	<u>23,663,362</u>
Total Liabilities and Deferred Inflow of Resources	<u>67,411,847</u>	<u>6,417</u>	<u>67,418,264</u>
<b>NET POSITION</b>			
Investment in Capital Assets	60,553,573	10,838	60,564,411
Restricted			
Capital Projects	8,167,630		8,167,630
Plant Maintenance	991,313		991,313
Other Purposes	671,665		671,665
Unrestricted	<u>(43,940,206)</u>	<u>110,770</u>	<u>(43,829,436)</u>
Total Net Position	<u>\$ 26,443,975</u>	<u>\$ 121,608</u>	<u>\$ 26,565,583</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, 2022

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	\$ 68,974,993	\$ 69,796,575	\$ 17,185,260	\$ 193,169	\$ 18,200,011		\$ 18,200,011
Support Services:							
Student & Instruction Related Services	25,910,009	5,205,090	9,974,456		(10,730,463)		(10,730,463)
General Administration Services	1,198,892	73,255	94,151		(1,031,486)		(1,031,486)
School Administration Services	4,883,343	1,070,906	1,170,843		(2,641,594)		(2,641,594)
Plant Operations and Maintenance	9,094,816	1,151,572	391,535	1,200,000	(6,351,709)		(6,351,709)
Pupil Transportation	1,523,415	61,644	184,250		(1,277,521)		(1,277,521)
Support Services - Business/Central Svc/ Admin Info. Tech.	1,977,874	1,447,851	67,416	-	(462,607)	-	(462,607)
Total Governmental Activities	<u>113,563,342</u>	<u>78,806,893</u>	<u>29,067,911</u>	<u>1,393,169</u>	<u>(4,295,369)</u>	<u>-</u>	<u>(4,295,369)</u>
Business - Type Activities							
Food Service	478,707	14,660	498,368	-	-	\$ 34,321	34,321
Total Business Type Activities	<u>478,707</u>	<u>14,660</u>	<u>498,368</u>	<u>-</u>	<u>-</u>	<u>34,321</u>	<u>34,321</u>
Total Primary Government	<u>\$ 114,042,049</u>	<u>\$ 78,821,553</u>	<u>\$ 29,566,279</u>	<u>\$ 1,393,169</u>	<u>(4,295,369)</u>	<u>34,321</u>	<u>(4,261,048)</u>
General Revenues:							
County Property Tax Levy					10,835,754		10,835,754
Investment Earnings					12,611		12,611
Miscellaneous					1,168,685		1,168,685
Total General Revenues and Transfers					<u>12,017,050</u>	<u>-</u>	<u>12,017,050</u>
Change in Net Position					7,721,681	34,321	7,756,002
Net Position - Beginning of Year , as Restated					<u>18,722,294</u>	<u>87,287</u>	<u>18,809,581</u>
Net Position - End of Year					<u>\$ 26,443,975</u>	<u>\$ 121,608</u>	<u>\$ 26,565,583</u>

**FUND FINANCIAL STATEMENTS**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Assets				
Cash and Cash Equivalents	\$ 16,310,836	\$ 92,900		\$ 16,403,736
Intergovernmental Receivables	1,151,097	1,906,625	\$ 1,349,760	4,407,482
Due from Other Funds	3,416,771			3,416,771
Prepaid Expenses	57,031			57,031
Security Deposits	<u>44,100</u>	<u>-</u>	<u>-</u>	<u>44,100</u>
 Total Assets	 <u>\$ 20,979,835</u>	 <u>\$ 1,999,525</u>	 <u>\$ 1,349,760</u>	 <u>\$ 24,329,120</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts Payable and Other Liabilities	\$ 695,291	\$ 154,332	\$ 1,296	\$ 850,919
Intergovernmental Payable	201,342			201,342
Payroll Deductions and Withholdings Payable	887,090			887,090
Other Liabilities	250,507	3,422		253,929
Due to Other Funds	1,716,577	750,768	261,673	2,729,018
Unearned Revenue	<u>740,580</u>	<u>998,103</u>	<u>-</u>	<u>1,738,683</u>
 Total Liabilities	 <u>4,491,387</u>	 <u>1,906,625</u>	 <u>262,969</u>	 <u>6,660,981</u>
Fund Balances:				
Restricted				
Capital Reserve	7,080,839			7,080,839
Maintenance Reserve	891,313			891,313
Maintenance Reserve - Designated for Subsequent Year's Expenditures	100,000			100,000
Unemployment Claims	578,765			578,765
Student Activities		24,519		24,519
Scholarship Funds		68,381		68,381
Capital Projects			1,086,791	1,086,791
Committed				
Year End Encumbrances	1,754,007			1,754,007
Assigned				
Year End Encumbrances	1,778,481			1,778,481
Designated for Subsequent Year's Expenditures	900,000			900,000
Unassigned	<u>3,405,043</u>	<u>-</u>	<u>-</u>	<u>3,405,043</u>
 Total Fund Balances	 <u>16,488,448</u>	 <u>92,900</u>	 <u>1,086,791</u>	 <u>17,668,139</u>
 Total Liabilities and Fund Balances	 <u>\$ 20,979,835</u>	 <u>\$ 1,999,525</u>	 <u>\$ 1,349,760</u>	 <u>\$ 24,329,120</u>

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, 2022**

<b>Total Fund Balance - Governmental Funds (Exhibit B-1)</b>		\$ 17,668,139
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 \$88,472,870 and the accumulated depreciation is \$30,890,337.		57,582,533
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	\$ 6,393,737
	Deferred Inflows of Resources	<u>(23,661,167)</u>
		(17,267,430)
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	(36,984,570)
	Compensated Absences	<u>(294,953)</u>
		(37,279,523)
The assets and liabilities of the Internal Service funds are included with governmental activities		<u>5,740,256</u>
<b>Net position of Governmental Activities (Exhibit A-1)</b>		\$ <u>26,443,975</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, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local Sources				
County Property Tax Levy	\$ 10,835,754			\$ 10,835,754
County Aid			\$ 1,200,000	1,200,000
Tuition - LEA's	41,561,486			41,561,486
Non-Resident Fees	1,260,563			1,260,563
Interest on Investments	12,611			12,611
Miscellaneous	<u>1,168,685</u>	<u>\$ 8,107,712</u>	<u>-</u>	<u>9,276,397</u>
	54,839,099	8,107,712	1,200,000	64,146,811
State Sources	8,140,478	1,732,551		9,873,029
Federal Sources	<u>366,583</u>	<u>2,605,940</u>	<u>-</u>	<u>2,972,523</u>
Total Revenues	<u>63,346,160</u>	<u>12,446,203</u>	<u>1,200,000</u>	<u>76,992,363</u>
<b>EXPENDITURES</b>				
Instruction				
Special Education Instruction	33,720,573	6,779,505		40,500,078
Support Services				
Student & Instruction Related Services	14,285,642	5,394,132		19,679,774
School Administration Services	3,334,463			3,334,463
Support Services General Administration	1,086,752			1,086,752
Plant Operations and Maintenance	5,842,071	15,832	297,203	6,155,106
Pupil Transportation	1,133,053	57,645		1,190,698
Other Support Services - Business (Central Services/Admin Info Tech)	610,479			610,479
Capital Outlay	<u>3,149,504</u>	<u>193,169</u>	<u>779,543</u>	<u>4,122,216</u>
Total Expenditures	<u>63,162,537</u>	<u>12,440,283</u>	<u>1,076,746</u>	<u>76,679,566</u>
Excess of Revenues Over Expenditures	183,623	5,920	123,254	312,797
Fund Balance - Beginning of Year	<u>16,304,825</u>	<u>86,980</u>	<u>963,537</u>	<u>17,355,342</u>
Fund Balance - End of Year	<u>\$ 16,488,448</u>	<u>\$ 92,900</u>	<u>\$ 1,086,791</u>	<u>\$ 17,668,139</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, 2022**

**Total Net Change in Fund Balances - Governmental Funds (B-2)** **\$ 312,797**

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	\$ (3,139,391)	
Capital Outlays	<u>4,122,216</u>	982,825

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	5,659,893	
Increase in Compensated Absences	<u>(53,554)</u>	5,606,339

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>819,720</u>
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**Change in net position of governmental activities (Exhibit A-2)** **\$ 7,721,681**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2022**

	<b>Business Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	<b>Internal Service Funds</b>
	<b>Food Service</b>	
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 66,793	\$ 343,354
Intergovernmental Accounts Receivable	34,818	5,652,809
Other Accounts Receivable	2,816	
Due from Other Funds		1,716,577
Inventories	12,760	-
Total Current Assets	117,187	7,712,740
Capital Assets		
Furniture, machinery & equipment	25,724	3,810,493
Less: Accumulated Depreciation	(14,886)	(839,453)
Total Capital Assets, Net	10,838	2,971,040
Total Assets	128,025	10,683,780
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable		667,378
Other Payable		209
Due to Other Funds		2,404,330
Unearned Revenue	4,222	-
Total Current Liabilities	4,222	3,071,917
Noncurrent Liabilities		
Compensated Absences	-	1,871,607
Total Noncurrent Liabilities	-	1,871,607
Total Liabilities	4,222	4,943,524
<b>DEFERRED INFLOW OF RESOURCES</b>		
Deferred Commodities Revenue	2,195	-
Total Liabilities and Deferred Inflow of Resources	6,417	4,943,524
<b>NET POSITION</b>		
Investment in Capital Assets	10,838	2,971,040
Unrestricted	110,770	2,769,216
Total Net Position	\$ 121,608	\$ 5,740,256

**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, 2022**

	<b>Business- Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise</b>	
	<b>Fund</b>	
	<b>Food</b>	<b>Internal</b>
	<b>Service</b>	<b>Service Funds</b>
<b>OPERATING REVENUES</b>		
Charges for Services		
Daily sales - reimbursable programs	\$ 13,233	
Daily sales - nonreimbursable programs	185	
Tuition from LEAS		\$ 6,538,651
Charges and Fees	1,242	29,446,193
On-Behalf State Aid	-	7,166,258
	14,660	43,151,102
Total Operating Revenues		
<b>OPERATING EXPENSES</b>		
Cost of Sales - reimbursable programs	206,629	
Cost of Sales - nonreimbursable programs	74	
Salaries	163,895	23,947,552
Employee Benefits	47,068	15,839,547
Purchased Services	6,164	1,447,325
Supplies and Materials		571,689
Management/Admin Fee	28,080	
Miscellaneous Expenses	25,120	342,419
Depreciation	1,677	182,850
	478,707	42,331,382
Total Operating Expenses		
Operating Income (Loss)	(464,047)	819,720
<b>NON-OPERATING REVENUES</b>		
State Sources		
State School Lunch Program	6,610	
Federal Sources		
National School Lunch Program	280,067	
National School Breakfast Program	152,003	
Emergency Operational Cost Program-Schools	26,796	
USDA Commodity	32,892	-
	498,368	-
Total Non-Operating Revenues		
Change in Net Position	34,321	819,720
Total Net Position - Beginning of Year, Restated	87,287	4,920,536
Total Net Position - Ending of Year	\$ 121,608	\$ 5,740,256

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, 2022**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	
	<b>Food Service</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 16,066	\$ 36,056,665
Payments to Employees	(210,963)	(23,627,213)
Payments to Suppliers	(266,412)	(12,000,976)
Net Cash Provided by (Used for) Operating Activities	(461,309)	428,476
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	7,136	
Federal Sources	448,310	
Transfers to/from other funds	-	(386,670)
Net Cash Provided by (Used for) Noncapital Financing Activities	455,446	(386,670)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of Capital Assets	-	(902,544)
Net Cash Provided by (Used for) Capital and Related Financing Activities	-	(902,544)
Net Decrease in Cash and Cash Equivalents	(5,863)	(860,738)
Cash and Cash Equivalents - Beginning of Year	72,656	1,204,092
Cash and Cash Equivalents - End of Year	\$ 66,793	\$ 343,354
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating Income(Loss)	\$ (464,047)	\$ 819,720
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	1,677	182,850
Food Distribution(USDA Commodities)-National School Lunch Program	32,892	
Changes in Assets, Liabilities and Deferred Inflows of Resources		
(Increase) Decrease in Accounts Receivable, net	(2,816)	71,821
Increase(Decrease) in Accounts Payable	(26,694)	(645,915)
Increase (Decrease) in Unearned Revenue	4,222	
Increase (Decrease) in Deferred Commodities Revenue	1,115	
(Increase)Decrease in Inventories	(7,658)	-
Total Adjustments	2,738	(391,244)
Net Cash Provided by (Used for) Operating Activities	\$ (461,309)	\$ 428,476
Non-Cash Financing Activities		
National School Lunch Program (Food Distribution)	\$ 34,007	

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, 2022**

**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 Chosen Freeholders 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 2022, the District adopted the following GASB statements:

- GASB Statement No. 87, *Leases*; The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*; The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB Statement No. 92, *Omnibus 2020*; The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*; The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*; This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

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

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- 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.
- 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, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements (Continued)**

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 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. Blesman 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".

**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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

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 and acquisitions under capital leases 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.

***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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**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

**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 a future period 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 a future period 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**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.

**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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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)**

**Governmental Fund Statements (Continued)**

**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 adopted 2022/2023 District 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 represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

*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 Trustees 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 adopted 2022/2023 District 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***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.

**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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**4. *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.

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 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$7,233,320. The increase was funded by the appropriation 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**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.

The activity of the capital reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 6,707,221
Increased:		
Interest	\$ 2,872	
Deposit per Board Resolution	<u>650,000</u>	
		<u>652,872</u>
		7,360,093
Decreased by:		
Withdrawals approved by Board Resolution		<u>279,254</u>
Balance, June 30, 2022		<u>\$ 7,080,839</u>

The withdrawal from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan.

**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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Maintenance Reserve (Continued)**

The activity of the maintenance reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021	<u>\$ 991,313</u>
Balance, June 30, 2022	<u>\$ 991,313</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,286,525. \$100,000 of the maintenance reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

**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 all deposits not covered by the FDIC and NCUSIF.

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, 2022, the book value of the Board's deposits were \$16,813,883 and bank and brokerage firm balances of the Board's deposits amounted to \$18,549,628. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ 17,619,724
Uninsured and Collateralized	<u>929,904</u>
	<u>\$ 18,549,628</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Cash Deposits (Continued)**

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, 2022 the Board’s bank balance of \$929,904 was exposed to custodial credit risk as follows:

**Depository Account (See Note 1)**

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in  
the Board's name

\$ 929,904

**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, 2022, the Board had no outstanding investments.

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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Receivables**

Receivables as of June 30, 2022 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				\$ 2,816		\$ 2,816
Intergovernmental						
State	\$ 105,683	\$ 31,629		513		137,825
Federal		81,906		34,305		116,211
Local	<u>1,045,414</u>	<u>1,793,090</u>	<u>\$ 1,349,760</u>	<u>-</u>	<u>\$ 5,652,809</u>	<u>9,841,073</u>
	1,151,097	1,906,625	1,349,760	37,634	5,652,809	10,097,925
Gross Receivables						
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 1,151,097</u>	<u>\$ 1,906,625</u>	<u>\$ 1,349,760</u>	<u>\$ 37,634</u>	<u>\$ 5,652,809</u>	<u>\$ 10,097,925</u>

**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	\$ 740,580
Special Revenue Fund	
Unencumbered Grant Draw Downs	976,320
Grant Draw Downs Reserved for Encumbrances	<u>21,783</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 1,738,683</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
<b>Governmental activities:</b>				
Capital assets, being depreciated:				
Buildings	\$ 63,919,184	\$ 4,065,148		\$ 67,984,332
Improvements other than buildings	1,522,707	-	\$ (396,120)	1,126,587
Leasehold Improvements	7,565,113	-		7,565,113
Machinery and equipment	<u>20,403,377</u>	<u>959,612</u>	<u>(5,755,658)</u>	<u>15,607,331</u>
Total capital assets being depreciated	<u>93,410,381</u>	<u>5,024,760</u>	<u>(6,151,778)</u>	<u>92,283,363</u>
Less accumulated depreciation for:				
Buildings	(13,974,915)	(1,614,111)		(15,589,026)
Improvements other than buildings	(597,014)	(56,918)	396,120	(257,812)
Leasehold Improvements	(5,400,409)	(368,589)	-	(5,768,998)
Machinery and equipment	<u>(14,586,989)</u>	<u>(1,282,623)</u>	<u>5,755,658</u>	<u>(10,113,954)</u>
Total accumulated depreciation	<u>(34,559,327)</u>	<u>(3,322,241)</u>	<u>6,151,778</u>	<u>(31,729,790)</u>
Total capital assets, being depreciated, net	<u>58,851,054</u>	<u>1,702,519</u>	<u>-</u>	<u>60,553,573</u>
Governmental activities capital assets, net	<u>\$ 58,851,054</u>	<u>\$ 1,702,519</u>	<u>\$ -</u>	<u>\$ 60,553,573</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Machinery and equipment	\$ 25,724	-	-	\$ 25,724
Total capital assets being depreciated	<u>25,724</u>	<u>-</u>	<u>-</u>	<u>25,724</u>
Less accumulated depreciation for:				
Machinery and equipment	(13,209)	\$ (1,677)	-	(14,886)
Total accumulated depreciation	<u>(13,209)</u>	<u>(1,677)</u>	<u>-</u>	<u>(14,886)</u>
Total capital assets, being depreciated, net	<u>12,515</u>	<u>(1,677)</u>	<u>-</u>	<u>10,838</u>
Business-type activities capital assets, net	<u>\$ 12,515</u>	<u>\$ (1,677)</u>	<u>\$ -</u>	<u>\$ 10,838</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

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

**Governmental activities:**

Instruction	
Special Education	\$ 266,113
Total Instruction	<u>266,113</u>
Support Services	
School administration services	214,597
Plant operations and maintenance	2,236,514
Pupil transportation	<u>422,167</u>
Total Support Services	<u>2,873,278</u>
Total Governmental Funds	<u>3,139,391</u>

Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>182,850</u>
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Total depreciation expense - governmental activities	<u>\$ 3,322,241</u>
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**Business-Type Activities**

Food Service Fund	<u>\$ 1,677</u>
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**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2022:

<u>Project</u>	<u>Remaining Commitment</u>
Washington Elementary Classroom Renovations	\$ 810,120
Garfield House Expansion and Renovation	<u>747,778</u>
Total	<u>\$ 1,557,898</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2022, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 750,768
General Fund	Capital Projects Fund	261,673
General Fund	One to One Aides - Internal Service Fund	580,407
General Fund	Career Crossroads - Internal Svc. Fund	23,430
General Fund	Project Search - Internal Service Fund	13,552
General Fund	Home Hospital - Internal Svc. Fund	47,527
General Fund	Education Enterprises - Internal Svc. Fund	1,251,004
General Fund	Interlocal Agreement-Internal Service Fund	488,410
Compensated Absences - Internal Svc. Fund	General Fund	<u>1,716,577</u>
		<u>\$ 5,133,348</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.

**F. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance, July 1, <u>2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, <u>2022</u>	Due Within <u>One Year</u>
<b>Governmental activities:</b>					
Compensated absences	\$ 2,113,006	\$ 53,554		\$ 2,166,560	-
Net Pension Liability	<u>48,012,973</u>	<u>-</u>	<u>\$ (11,028,403)</u>	<u>36,984,570</u>	<u>-</u>
Governmental activity					
Long-term liabilities	<u>\$ 50,125,979</u>	<u>\$ 53,554</u>	<u>\$ (11,028,403)</u>	<u>\$ 39,151,130</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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

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 two years:

<u>Fiscal Year Ended June 30,</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ 309	\$ 106,008		\$ 578,765
2021	548	95,335		578,456
2020	1,260	104,784	\$ 87,306	577,908

**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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**B. Contingent Liabilities (Continued)**

**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, 2022, 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](http://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.

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 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reached 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, 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](http://www.state.nj.us/treasury/pensions).

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reached 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 for his/her 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Other Pension Funds (Continued)**

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](http://www.state.nj.us/treasury/pensions).

**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. Prudential retirement 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](http://www.state.nj.us/treasury/doinvest).

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2021 is \$12.0 billion and the plan fiduciary net position as a percentage of the total pension liability is 70.33%. The collective net pension liability of the State funded TPAF at June 30, 2021 is \$48.2 billion and the plan fiduciary net position as a percentage of total pension liability is 35.52%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2020 which were rolled forward to June 30, 2021.

**Actuarial Methods and Assumptions**

In the July 1, 2020 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 2022.

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, 2022 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 less 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 2022, 2021 and 2020 were equal to the required contributions.

During the fiscal years ended June 30, 2022, 2021 and 2020 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 unfunded 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>
2022	\$ 3,656,205	\$ 11,269,095	\$ 48,739
2021	3,220,858	4,599,124	30,336
2020	2,785,215	6,164,504	31,398

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions (Continued)**

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$-0-, \$-0-, and \$12,977, respectively for PERS and the State contributed \$3,625, \$3,531, and \$3,549, 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 \$2,300,133 during the fiscal year ended June 30, 2022 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. 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, 2020 through June 30, 2021. Employer allocation percentages have been rounded for presentation purposes.

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, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$36,984,570 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. 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, 2021. At June 30, 2021, the District's proportionate share was 0.31219 percent, which was an increase of 0.01777 percent from its proportionate share measured as of June 30, 2020 of 0.29442 percent.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$1,971,020 for PERS. The pension contribution made by the District during the current 2021/2022 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, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. 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, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 583,294	\$ 264,766
Changes of Assumptions	192,615	13,166,746
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		9,742,707
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>5,617,828</u>	<u>486,948</u>
Total	<u>\$ 6,393,737</u>	<u>\$ 23,661,167</u>

At June 30, 2022, 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>
2023	\$ (4,257,644)
2024	(4,257,644)
2025	(4,257,644)
2026	(4,257,643)
2027	(236,855)
Thereafter	<u>-</u>
	<u>\$ (17,267,430)</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% Based on Years of Service
Thereafter	3.00%-7.00% 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2021) 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, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>2021</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

***Discount Rate***

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2021. 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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)**

***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%, 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:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 50,365,484</u>	<u>\$ 36,984,570</u>	<u>\$ 25,628,968</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, 2021. A sensitivity analysis specific to the District’s net pension liability at June 30, 2021 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](http://www.state.nj.us/treasury/pensions).

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2020 through June 30, 2021. 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, 2021, the State's pension contribution was less 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, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,114,040 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, 2022 the State's proportionate share of the net pension liability attributable to the District is \$132,340,904. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. 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, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was 0.27527 percent, which was a decrease of 0.00083 percent from its proportionate share measured as of June 30, 2020 of 0.27610 percent.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55% Based on Years of Service
Thereafter	2.75%-5.65% 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2021) 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, 2021 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%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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)**

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

***Sensitivity of 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:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 156,581,395</u>	<u>\$ 132,340,904</u>	<u>\$ 111,980,415</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, 2021. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2021 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](http://www.state.nj.us/treasury/pensions).

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**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, 2021. 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.

**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 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](http://www.state.nj.us/treasury/pensions).

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>149,304</u>
Total	<u>366,108</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

**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.

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2020 which were rolled forward to June 30, 2021.

**Actuarial Methods and Assumptions**

In the June 30, 2020 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 \$1.23 billion to the OPEB plan in fiscal year 2021.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an 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, 2022, 2021 and 2020 were \$2,632,916, \$2,555,424 and \$2,286,918, 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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**

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. 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, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

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, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$12,678,023. 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, 2022 the State’s proportionate share of the OPEB liability attributable to the District is \$203,020,433. 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, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state’s share of the OPEB liability attributable to the District was 0.33832 percent, which was an increase of 0.00091 percent from its proportionate share measured as of June 30, 2020 of 0.33741 percent.

**Actuarial Assumptions**

The OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%	
Salary Increases*	<u>PERS</u>	<u>TPAF</u>
Initial Fiscal Year Applied Through	2026	2026
Rate	2.00% to 6.00%	1.55% to 4.45%
Rate Thereafter	3.00% to 7.00%	2.75% to 5.65%

\*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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)**

**Actuarial Assumptions (Continued)**

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 disabled 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, 2021 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% 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, 2021 was 2.16%. 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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)**

**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, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2020 Measurement Date	\$ 228,799,172
Changes Recognized for the Fiscal Year:	
Service Cost	11,148,306
Interest on the Total OPEB Liability	5,266,564
Changes in Benefit Terms	(216,091)
Differences Between Expected and Actual Experience	(38,163,876)
Changes of Assumptions	200,295
Gross Benefit Payments	(4,148,577)
Contributions from the Member	134,640
<b>Net Changes</b>	<u>\$ (25,778,739)</u>
Balance, June 30, 2021 Measurement Date	<u>\$ 203,020,433</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% percent in 2020 to 2.16% percent in 2021.

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, 2021.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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 2.16%, 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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	<b>1% Decrease <u>(1.16%)</u></b>	<b>Current Discount Rate <u>(2.16%)</u></b>	<b>1% Increase <u>(3.16%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 243,186,608</u>	<u>\$ 203,020,433</u>	<u>\$ 171,391,982</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:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 164,345,700</u>	<u>\$ 203,020,433</u>	<u>\$ 254,957,741</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 were not provided by the pension system.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 5 RESTATEMENT**

The June 30, 2021 financial statements have been restated to reflect updated capital asset appraisal values, along with related depreciation. The effect of this restatement is as follows:

**Business-type Activities**

The effect of this restatement is to increase net position of business-type activities by \$12,515 from \$74,772 as previously reported to \$87,287 as of June 30, 2021.

**Internal Service Funds**

The effect of this restatement is to increase net position of internal service funds by \$463,821 from \$4,456,715 as previously reported to \$4,920,536 as of June 30, 2021.

**NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

In the State, Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. On June 4, 2021, the Governor signed legislation enabling the end of the public health emergency and keeping certain executive orders in place until January 1, 2022, though such executive orders may be modified or rescinded prior to that day by the Governor. The Board expects ongoing actions be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. These negative impacts could reduce or negatively affect property values within the School District.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS (Continued)**

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan 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. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$676,189 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

**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, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Local Sources					
County Aid	\$ 10,835,754		\$ 10,835,754	\$ 10,835,754	
Tuition	41,279,900		41,279,900	41,561,486	\$ 281,586
Non Resident Fees	1,250,000		1,250,000	1,260,563	10,563
Interest on Investments	30,000		30,000	9,430	(20,570)
Interest on Capital Reserve	10,000		10,000	2,872	(7,128)
Interest on Unemployment				309	309
Miscellaneous	1,630,000	-	1,630,000	1,168,685	(461,315)
<b>Total Local Sources</b>	<b>55,035,654</b>	<b>-</b>	<b>55,035,654</b>	<b>54,839,099</b>	<b>(196,555)</b>
State Sources (*See Note)					
On-Behalf TPAF Pension System Contributions - Post Retirement Medical (Non-Budgeted)				1,322,566	1,322,566
On-Behalf TPAF Pension System Contributions - Normal Cost (Non-Budgeted)				5,581,936	5,581,936
On-Behalf TPAF Pension System Contributions - Non-Contributory Group Insurance (Non-Budgeted)				78,753	78,753
On-Behalf TPAF Pension System Contributions - Long-Term Disability Insurance (Non-Budgeted)				1,821	1,821
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,155,402	1,155,402
<b>Total State Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,140,478</b>	<b>8,140,478</b>
Federal Sources:					
Medicaid Reimbursement	350,000	-	350,000	366,583	16,583
<b>Total Federal Sources</b>	<b>350,000</b>	<b>-</b>	<b>350,000</b>	<b>366,583</b>	<b>16,583</b>
<b>Total Revenues</b>	<b>55,385,654</b>	<b>-</b>	<b>55,385,654</b>	<b>63,346,160</b>	<b>7,960,506</b>
<b>EXPENDITURES</b>					
Current					
Special Education					
Auditory Impairments - Instruction					
Salaries of Teachers	1,844,848	\$ 4,900	1,849,748	1,849,709	39
Other Salaries for Instruction	1,588,947	(132,900)	1,456,047	1,385,515	70,532
Purchased Prof. - Educ. Services	1,005,000	18,000	1,023,000	1,022,652	348
Lease and Rentals	10,000		10,000	7,788	2,212
Other Purchased Services	26,500	18,000	44,500	40,463	4,037
Travel	6,800		6,800	57	6,743
General Supplies	243,900	7,553	251,453	70,236	181,217
Textbooks	1,200	99	1,299	-	1,299
Other Objects	9,050	-	9,050	2,859	6,191
<b>Total Auditory Impairments - Instruction</b>	<b>4,736,245</b>	<b>(84,348)</b>	<b>4,651,897</b>	<b>4,379,279</b>	<b>272,618</b>
Behavioral Disabilities - Instruction					
Salaries of Teachers	2,293,983	36,670	2,330,653	2,330,621	32
Other Salaries for Instruction	944,990	(66,670)	878,320	866,919	11,401
Purchased Prof. - Educ. Service	345,000	(141,500)	203,500	181,335	22,165
Leases and Rentals	17,150		17,150	7,729	9,421
Travel	14,550	(250)	14,300	2,056	12,244
General Supplies	92,250	131,385	223,635	115,963	107,672
Textbooks	7,000	(2,400)	4,600	2,562	2,038
Other Objects	8,750	-	8,750	4,507	4,243
<b>Total Behavioral Disabilities - Instruction</b>	<b>3,723,673</b>	<b>(42,765)</b>	<b>3,680,908</b>	<b>3,511,692</b>	<b>169,216</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<b>EXPENDITURES (Continued)</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final Budget to Actual</b>
<b>Current (Continued)</b>					
<b>Psychiatric</b>					
Salaries of Teachers	\$ 366,066	\$ (28,250)	\$ 337,816	\$ 304,075	\$ 33,741
Other Salaries for Instruction	94,975		94,975	93,817	1,158
Purchased Prof. - Educ. Service	545,000	2,500	547,500	547,500	
Travel	300		300		300
General Supplies	11,000	26,750	37,750	8,062	29,688
Textbooks	1,000	(1,000)			
Other Objects	2,000	-	2,000	1,852	148
<b>Total Psychiatric</b>	<b>1,020,341</b>	<b>-</b>	<b>1,020,341</b>	<b>955,306</b>	<b>65,035</b>
<b>Multiple Disabilities - Instruction</b>					
Salaries of Teachers	1,666,562	(91,000)	1,575,562	1,574,653	909
Other Salaries for Instruction	888,841	(57,610)	831,231	824,260	6,971
Purchased Prof. - Educ. Service	310,000	(9,000)	301,000	300,955	45
Lease and Rentals	9,500		9,500	7,746	1,754
Travel	6,050	(205)	5,845	3,053	2,792
General Supplies	97,300	34,528	131,828	73,759	58,069
Textbooks	3,250		3,250	1,743	1,507
Other Objects	6,650	-	6,650	3,379	3,271
<b>Total Multiple Disabilities</b>	<b>2,988,153</b>	<b>(123,287)</b>	<b>2,864,866</b>	<b>2,789,548</b>	<b>75,318</b>
<b>Autism - Instruction</b>					
Salaries of Teachers	3,866,306	(130,000)	3,736,306	3,700,797	35,509
Other Salaries for Instruction	3,074,137	(361,000)	2,713,137	2,702,689	10,448
Purchased Prof. - Educ. Service	525,500		525,500	525,000	500
Lease and Rentals	20,500		20,500	19,296	1,204
Travel	5,350		5,350	705	4,645
General Supplies	259,000	292,347	551,347	158,617	392,730
Other Objects	10,500	-	10,500	4,015	6,485
<b>Total Autistic</b>	<b>7,761,293</b>	<b>(198,653)</b>	<b>7,562,640</b>	<b>7,111,119</b>	<b>451,521</b>
<b>Preschool Disabilities - Full Time - Instruction</b>					
Salaries of Teachers	644,185	63,900	708,085	690,252	17,833
Other Salaries for Instruction	295,657		295,657	251,665	43,992
Purchased Prof. - Educ. Service	22,000		22,000	4,950	17,050
Other Purchased Services		500	500	370	130
Travel	250		250	204	46
General Supplies	20,450	2,840	23,290	8,411	14,879
Other Objects	2,000	-	2,000	305	1,695
<b>Total Preschool Disabilities - Full-Time</b>	<b>984,542</b>	<b>67,240</b>	<b>1,051,782</b>	<b>956,157</b>	<b>95,625</b>
<b>Total Special Education - Instruction</b>	<b>21,214,247</b>	<b>(381,813)</b>	<b>20,832,434</b>	<b>19,703,101</b>	<b>1,129,333</b>
<b>School Sponsored Co curricular Activities</b>					
Travel	1,500		1,500		1,500
Other Objects	76,650	-	76,650	33,325	43,325
<b>Total School Sponsored Co curricular Activities</b>	<b>78,150</b>	<b>-</b>	<b>78,150</b>	<b>33,325</b>	<b>44,825</b>
<b>Other Instructional Programs</b>					
Salaries	93,859	(2,000)	91,859	91,797	62
Purchased Prof. - Educ. Service	5,000	(5,000)			
Rentals	2,600	(2,600)			
General Supplies	9,000	14,000	23,000	1,069	21,931
Other Objects	500	-	500	-	500
<b>Total Other Instructional Programs</b>	<b>110,959</b>	<b>4,400</b>	<b>115,359</b>	<b>92,866</b>	<b>22,493</b>

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXPENDITURES (Continued)	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Current (Continued)					
Community Services Programs/ Operations					
Salaries	\$ 151,928		\$ 151,928	\$ 151,868	\$ 60
Other Purchased Services	50,000	\$ (4,150)	45,850	38,186	7,664
Travel	800		800	195	605
Supplies and Materials	6,500		6,500	2,930	3,570
Other Objects	2,000	-	2,000	1,476	524
Total Community Services Programs/ Operations	211,228	(4,150)	207,078	194,655	12,423
Total Instruction	21,614,584	(381,563)	21,233,021	20,023,947	1,209,074
Health Services					
Salaries	745,652	(75,000)	670,652	646,447	24,205
Purchased Professional and Technical Services	50,000	(45,000)	5,000		5,000
Other Professional Services	25,000	5,000	30,000	30,000	
Supplies and Materials	12,200	2,179	14,379	1,095	13,284
Other Objects	29,850	(1,000)	28,850	11,857	16,993
Total Health Services	862,702	(113,821)	748,881	689,399	59,482
Speech, OT,PT and Related Services					
Salaries	4,375,053	(337,000)	4,038,053	3,977,775	60,278
Purchased Professional-Educational Services	300,000	135,000	435,000	433,902	1,098
Supplies and Materials	2,000	-	2,000	270	1,730
Total Other Support Services-Students Related Serv.	4,677,053	(202,000)	4,475,053	4,411,947	63,106
Child Study Team					
Salaries of Other Professional Staff	1,966,352	42,000	2,008,352	2,005,836	2,516
Total Child Study Team	1,966,352	42,000	2,008,352	2,005,836	2,516
Improvement of Instruction Services					
Salaries	473,311		473,311	472,036	1,275
Other Purchased Services	47,000		47,000	45,000	2,000
Travel	3,000		3,000	935	2,065
Supplies and Materials	7,500		7,500	646	6,854
Other Objects	4,000	-	4,000	-	4,000
Total Improvement of Instruction Services	534,811	-	534,811	518,617	16,194
Educational Media Service/School Library					
Salaries	512,871	41,600	554,471	554,412	59
Purchased Professional-Educational Services	390,000	154,658	544,658	533,720	10,938
Travel	1,000		1,000	212	788
Supplies and Materials	200,000	247,000	447,000	346,552	100,448
Total Educational Media Services/School Library	1,103,871	443,258	1,547,129	1,434,896	112,233
Instructional Staff Training Services					
Travel	22,150		22,150	6,193	15,957
Other Objects	59,550	(632)	58,918	49,417	9,501
Total Instructional Staff Training Services	81,700	(632)	81,068	55,610	25,458

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<b>EXPENDITURES (Continued)</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final Budget to Actual</b>
<b>Current (Continued)</b>					
<b>Support Services General Administration</b>					
Salaries	\$ 128,033		\$ 128,033	\$ 116,723	\$ 11,310
Legal Services	200,000	\$ (48,750)	151,250	133,502	17,748
Audit Fees	66,000		66,000	65,725	275
Expenditure and Internal Control	5,000		5,000	2,500	2,500
Architect/Engineering Fees	100,000	89,900	189,900	137,600	52,300
Other Purchased Professional Services	73,500	(28,300)	45,200	33,684	11,516
Leases and Rentals	5,000	(5,000)			
Communications/Telephone	181,500	28,750	210,250	210,236	14
Travel		25	25	25	
Other Purchased Services	264,000	20,900	284,900	266,803	18,097
BOE Other Purchase Services	4,000	(25)	3,975		3,975
Supplies and Materials	15,000		15,000	4,121	10,879
Miscellaneous Expenditures	30,000	-	30,000	27,839	2,161
<b>Total Support Services General Administration</b>	<b>1,072,033</b>	<b>57,500</b>	<b>1,129,533</b>	<b>998,758</b>	<b>130,775</b>
<b>Support Services School Administration</b>					
Salaries of Principals/ Assistant Principals	1,381,301	(50,000)	1,331,301	1,281,620	49,681
Salaries of Secretarial and Clerical Assistants	688,693		688,693	675,839	12,854
Other Purchased Professional Services	80,000	(80,000)			
Travel	10,750	(600)	10,150	1,148	9,002
Supplies and Materials	4,800	43,457	48,257	44,952	3,305
Other Objects	12,950	(500)	12,450	8,804	3,646
<b>Total Support Services School Administration</b>	<b>2,178,494</b>	<b>(87,643)</b>	<b>2,090,851</b>	<b>2,012,363</b>	<b>78,488</b>
<b>Central Services</b>					
Salaries	445,577	(97,600)	347,977	332,421	15,556
Purchased Professional Services	20,000		20,000	20,000	-
Purchased Technical Services	77,100	(2,175)	74,925	63,123	11,802
Leases and Rentals	3,400	2,175	5,575	5,556	19
Travel	3,500		3,500	205	3,295
Other Purchased Services	3,000		3,000		3,000
Supplies and Materials	16,000	1,060	17,060	7,425	9,635
Miscellaneous Expenditures	7,500	-	7,500	6,682	818
<b>Total Central Services</b>	<b>576,077</b>	<b>(96,540)</b>	<b>479,537</b>	<b>435,412</b>	<b>44,125</b>
<b>Required Maintenance for School Facilities</b>					
Salaries	251,854	42,750	294,604	294,579	25
Cleaning, Repair and Maintenance Services	280,000	(61,964)	218,036	163,926	54,110
General Supplies	100,000	(14,582)	85,418	68,430	16,988
<b>Total Required Maintenance for School Facilities</b>	<b>631,854</b>	<b>(33,796)</b>	<b>598,058</b>	<b>526,935</b>	<b>71,123</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original</u> <u>Budget</u>	<u>Adjustments</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance Final</u> <u>Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Custodial Services					
Salaries	\$ 1,540,848	\$ 20,000	\$ 1,560,848	\$ 1,557,983	\$ 2,865
Purchased Professional and Technical Services	150,000		150,000	148,500	1,500
Cleaning, Repair and Maintenance Services	150,883	(10,739)	140,144	122,241	17,903
Rental of Land and Bldgs. Other Than Lease Purch	1,271,415	(13,000)	1,258,415	1,249,877	8,538
Other Purchased Property Services	41,400	(6,786)	34,614	32,608	2,006
Insurance	112,000	(12,000)	100,000	100,000	
Travel	1,500		1,500	560	940
General Supplies	328,000	(111,444)	216,556	173,291	43,265
Energy (Natural Gas)	125,000	15,000	140,000	135,702	4,298
Energy (Electricity)	470,000	(20,000)	450,000	446,555	3,445
Energy (Gasoline)	100,000		100,000	92,318	7,682
Other Objects	12,000	-	12,000	4,614	7,386
<b>Total Custodial Services</b>	<u>4,303,046</u>	<u>(138,969)</u>	<u>4,164,077</u>	<u>4,064,249</u>	<u>99,828</u>
Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	50,000	81,084	131,084	104,660	26,424
General Supplies	10,000	(1,600)	8,400	-	8,400
<b>Total Upkeep of Grounds</b>	<u>60,000</u>	<u>79,484</u>	<u>139,484</u>	<u>104,660</u>	<u>34,824</u>
Security					
Cleaning, Repair and Maintenance Services	140,000	(15,000)	125,000	113,135	11,865
Cleaning, Repair and Maintenance Services	-	17,000	17,000	-	17,000
<b>Total Security</b>	<u>140,000</u>	<u>2,000</u>	<u>142,000</u>	<u>113,135</u>	<u>28,865</u>
Student Transportation Services					
Salaries for Pupil Transp (Other than Bet. Home & School)	656,767	(31,800)	624,967	624,278	689
Cleaning, Repair and Maintenance Services	10,000	(9,000)	1,000	280	720
Contr Serv (Other Than Between Home & School) - Vendors	8,000	(4,000)	4,000	3,245	755
Miscellaneous Purchased Services-Transportation	55,000		55,000	53,500	1,500
Supplies and Materials	80,000	11,629	91,629	91,607	22
Miscellaneous Expenditures	25,000	8,000	33,000	31,372	1,628
<b>Total Student Transportation Services</b>	<u>834,767</u>	<u>(25,171)</u>	<u>809,596</u>	<u>804,282</u>	<u>5,314</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 1,045,000	\$ (30,000)	\$ 1,015,000	\$ 1,007,030	\$ 7,970
Other Retirement Contributions- Regular	1,900,000	226,300	2,126,300	2,126,291	9
Unemployment Compensation	10,000		10,000	8,518	1,482
Workmen's Compensation	1,050,000	8,200	1,058,200	1,058,170	30
Health Benefits	9,047,852	(1,872,150)	7,175,702	7,095,749	79,953
Tuition Reimbursement	125,000	(30,000)	95,000	85,644	9,356
Other Employee Benefits	200,000	26,000	226,000	225,550	450
	<u>13,377,852</u>	<u>(1,671,650)</u>	<u>11,706,202</u>	<u>11,606,952</u>	<u>99,250</u>
On-Behalf TPAF Pension System Contributions - Post Retirement Medical (Non-Budgeted)				1,322,566	(1,322,566)
On-Behalf TPAF Pension System Contributions - Normal Cost (Non-Budgeted)				5,581,936	(5,581,936)
On-Behalf TPAF Pension System Contributions - Non-Contributory Group Insurance (Non-Budgeted)				78,753	(78,753)
On-Behalf TPAF Pension System Contributions - Long-Term Disability Insurance (Non-Budgeted)				1,821	(1,821)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,155,402	(1,155,402)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,140,478</u>	<u>(8,140,478)</u>
Total TPAF Contributions					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,140,478</u>	<u>(8,140,478)</u>
Total Undistributed Expenditures	<u>32,400,612</u>	<u>(1,745,980)</u>	<u>30,654,632</u>	<u>37,923,529</u>	<u>(7,268,897)</u>
Total Expenditures - Current	<u>54,015,196</u>	<u>(2,127,543)</u>	<u>51,887,653</u>	<u>57,947,476</u>	<u>(6,059,823)</u>
<b>CAPITAL OUTLAY</b>					
Equipment					
Special Education - Instruction					
Auditory Impairments		9,027	9,027	9,027	
Emotional Regulation		110,225	110,225	58,462	51,763
Multiple Disabilities		96,373	96,373	10,387	85,986
Autism		71,410	71,410	16,606	54,804
Educational Media and School Library		503,796	503,796	125,729	378,067
Operations and Maintenance of Plant		3,600	3,600	3,600	
Grounds		181,935	181,935	100,843	81,092
Transportation		150,150	150,150		150,150
Special Schools		19,100	19,100		19,100
Other	10,000	-	10,000	-	10,000
	<u>10,000</u>	<u>1,145,616</u>	<u>1,155,616</u>	<u>324,654</u>	<u>830,962</u>
Total Equipment					
	<u>10,000</u>	<u>1,145,616</u>	<u>1,155,616</u>	<u>324,654</u>	<u>830,962</u>
Facilities Acquisition and Construction Services					
Construction Services	-	4,637,342	4,637,342	2,882,306	1,755,036
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>4,637,342</u>	<u>4,637,342</u>	<u>2,882,306</u>	<u>1,755,036</u>
Total Capital Outlay	<u>10,000</u>	<u>5,782,958</u>	<u>5,792,958</u>	<u>3,206,960</u>	<u>2,585,998</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>SPECIAL SCHOOLS</b>					
Other Special Schools - Instruction					
Salaries of Teachers	\$ 282,962	\$ (19,100)	\$ 263,862	\$ 248,110	\$ 15,752
Other Salaries for Instruction	567,070	(39,750)	527,320	459,525	67,795
Other Purchased Services	350,000	24,600	374,600	374,590	10
Travel	500		500	250	250
General Supplies	11,000	37,322	48,322	4,657	43,665
Other Objects	9,500	2,450	11,950	7,555	4,395
Total Other Special Schools - Instruction	<u>1,221,032</u>	<u>5,522</u>	<u>1,226,554</u>	<u>1,094,687</u>	<u>131,867</u>
Other Special Schools - Support Services					
Salaries	310,676	23,050	333,726	309,550	24,176
Personal Services - Employee Benefits	696,000	(23,050)	672,950	586,872	86,078
Purchased Professional and Technical Services	2,500	(500)	2,000		2,000
Rental	9,000		9,000	8,244	756
Travel	100		100		100
Other Purchased Services	14,000		14,000	6,851	7,149
Supplies and Materials	7,000	500	7,500	1,897	5,603
Other Objects	150	-	150	-	150
Total Other Special Schools - Support Services	<u>1,039,426</u>	<u>-</u>	<u>1,039,426</u>	<u>913,414</u>	<u>126,012</u>
Total Other Special Schools	<u>2,260,458</u>	<u>5,522</u>	<u>2,265,980</u>	<u>2,008,101</u>	<u>257,879</u>
Total Expenditures	<u>56,285,654</u>	<u>3,660,937</u>	<u>59,946,591</u>	<u>63,162,537</u>	<u>(3,215,946)</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	<u>(900,000)</u>	<u>(3,660,937)</u>	<u>(4,560,937)</u>	<u>183,623</u>	<u>4,744,560</u>
Other Financing Sources(Uses): Transfer to Food Service Fund - Board Contribution	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
Total Other Financing Sources/(Uses)	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(1,000,000)</u>	<u>(3,660,937)</u>	<u>(4,660,937)</u>	<u>183,623</u>	<u>4,844,560</u>
Fund Balances, July 1,	<u>16,304,825</u>	<u>-</u>	<u>16,304,825</u>	<u>16,304,825</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 15,304,825</u>	<u>\$ (3,660,937)</u>	<u>\$ 11,643,888</u>	<u>\$ 16,488,448</u>	<u>\$ 4,844,560</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance</b>					
Capital Reserve				\$ 7,080,839	
Maintenance Reserve				891,313	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				100,000	
Unemployment Claims				578,765	
<b>Committed Fund Balance</b>					
Year End Encumbrances				1,754,007	
<b>Assigned Fund Balance</b>					
Year End Encumbrances				1,778,481	
Designated for Subsequent Year's Expenditures				900,000	
<b>Unassigned Fund Balance</b>					
Undesignated				<u>3,405,043</u>	
				<u>\$ 16,488,448</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, 2022

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
State Sources	-	\$ 85,359	\$ 85,359	\$ 1,732,551	\$ 1,647,192
Federal Sources	\$ 2,005,000	1,139,061	3,144,061	2,627,723	(516,338)
Other Sources	7,705,000	2,347,963	10,052,963	8,107,712	(1,945,251)
<b>Total Revenues</b>	<b>9,710,000</b>	<b>3,572,383</b>	<b>13,282,383</b>	<b>12,467,986</b>	<b>(814,397)</b>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	9,705,000	(4,706,116)	4,998,884	4,221,500	777,384
Other Salaries for Instruction	-	1,061,632	1,061,632	857,724	203,908
Purchased Professional Services	-	2,159	2,159	-	2,159
Other Purchased Services	-	8,760	8,760	7,750	1,010
General Supplies	-	376,910	376,910	364,118	12,792
Co-Curricular Student Activities	-	-	-	-	-
Other Objects	-	1,856	1,856	1,856	-
<b>Total Instruction</b>	<b>9,705,000</b>	<b>(3,254,799)</b>	<b>6,450,201</b>	<b>5,452,948</b>	<b>997,253</b>
Support Services					
Salaries	-	1,168,154	1,168,154	1,068,435	99,719
Personnel Services Employee Benefits	-	1,749,472	1,749,472	1,602,686	146,786
On-Behalf Benefits	-	-	-	1,647,526	(1,647,526)
Cleaning, Repair, and Maintenance Service	-	53,165	53,165	24,166	28,999
Purchased Professional Education Services	-	3,303,175	3,303,175	2,113,738	1,189,437
Communication and Telephone	-	17,907	17,907	17,907	-
Energy	-	1,794	1,794	1,794	-
Rental	-	7,368	7,368	7,368	-
Travel	-	3,779	3,779	3,212	567
Other Purchased Services	-	229,217	229,217	228,003	1,214
Supplies and Materials	5,000	70,398	75,398	74,561	837
Miscellaneous Expenditures	-	26,201	26,201	14,271	11,930
Scholarships Awarded (Non-Budget)	-	-	-	5,759	(5,759)
Student Activities (Non-Budget)	-	-	-	4,184	(4,184)
<b>Total Support Services</b>	<b>5,000</b>	<b>6,630,630</b>	<b>6,635,630</b>	<b>6,813,610</b>	<b>(177,980)</b>
Facilities Acquisition and Construction					
Instructional Equipment	-	196,552	196,552	195,508	1,044
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>196,552</b>	<b>196,552</b>	<b>195,508</b>	<b>1,044</b>
<b>Total Expenditures</b>	<b>9,710,000</b>	<b>3,572,383</b>	<b>13,282,383</b>	<b>12,462,066</b>	<b>820,317</b>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	-	-	-	5,920	5,920
Fund Balance July 1	86,980	-	86,980	86,980	-
Fund Balance, June 30	\$ 86,980	\$ -	\$ 86,980	\$ 92,900	\$ 5,920
<b>Recapitulation:</b>					
<b>Restricted Fund Balance</b>					
Student Activities				\$ 24,519	
Scholarships				68,381	
				<u>\$ 92,900</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, 2022**

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>
<b>Source/Inflows of Resources</b>		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 63,346,160	\$ 12,467,986
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, 2022	-	(21,783)
 Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	 \$ 63,346,160	 \$ 12,446,203
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 63,162,537	\$ 12,462,066
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, 2022	-	(21,783)
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	 \$ 63,162,537	 \$ 12,440,283

**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 Nine Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.31219 %	0.29442 %	0.28633 %	0.28259 %	0.29004 %	0.23653 %	0.23923 %	0.23782 %	0.23468
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 36,984,570	\$ 48,012,973	\$ 51,593,332	\$ 55,640,770	\$ 67,518,565	\$ 70,053,677	\$ 53,702,644	\$ 44,515,531	\$ 44,853,790
District's Covered Payroll	\$ 21,876,745	\$ 22,421,850	\$ 20,562,178	\$ 19,815,633	\$ 19,833,888	\$ 18,564,076	\$ 16,100,179	\$ 16,501,385	\$ 16,005,606
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	169.06%	214.13%	250.91%	280.79%	340.42%	377.36%	333.55%	269.77%	280.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33 %	58.32 %	56.27 %	53.60 %	48.10 %	40.14 %	47.93 %	52.08 %	48.72

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. 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 DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

**Last Nine Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 3,656,205	\$ 3,220,858	\$ 2,785,215	\$ 2,810,868	\$ 2,686,986	\$ 2,101,307	\$ 2,056,748	\$ 1,960,564	\$ 1,870,873
Contributions in Relation to the Contractually Required Contribution	<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>	<u>1,870,873</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 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
Contributions as a Percentage of Covered Payroll	16.49%	14.72%	12.42%	13.67%	13.56%	10.59%	11.08%	12.18%	11.34%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. 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 THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

**Last Eight Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	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
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<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>	<u>159,708,437</u>
<b>Total</b>	<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>	<u>\$159,708,437</u>
District's Covered Payroll	\$ 29,224,888	\$ 30,017,973	\$ 29,726,170	\$ 29,502,394	\$ 31,206,801	\$ 30,067,644	\$ 27,950,082	\$ 29,483,746	\$ 29,177,685
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%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. 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 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, 2022**

**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 Four Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 11,148,306	\$ 6,170,780	\$ 6,321,260	\$ 7,244,613	\$ 8,697,404
Interest on Total OPEB Liability	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	(38,163,876)	40,474,525	(21,032,606)	(18,013,330)	
Changes of Assumptions	200,295	41,793,746	2,075,507	(17,214,760)	(22,162,909)
Gross Benefit Payments	(4,148,577)	(3,983,205)	(4,273,073)	(4,011,298)	(4,062,621)
Contribution from the Member	<u>134,640</u>	<u>120,731</u>	<u>126,666</u>	<u>138,637</u>	<u>149,596</u>
<b>Net Change in Total OPEB Liability</b>	(25,778,739)	89,597,597	(10,811,576)	(25,386,195)	(11,849,433)
<b>Total OPEB Liability - Beginning</b>	<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>
<b>Total OPEB Liability - Ending</b>	<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>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>\$ 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>\$ 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%

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, 2022**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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

**SCHOOL LEVEL FUNDS**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**



**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, 2022**

	<u>CRRSA ESSER II</u>	<u>Title I Part D</u>	<u>Title I Part D Carryover</u>	<u>Bierhman/ Union Street Donations</u>	<u>Homeless Children</u>	<u>School Security Grant</u>	<u>Leisure Bridges Medicaid</u>	<u>Nonpublic STEM Grant</u>	<u>Adult Rehab Paramus Medicaid</u>	<u>Adult Rehab Wood-Ridge Medicaid</u>	<u>Total Exhibit E-1a</u>
<b>REVENUES</b>											
Intergovernmental											
State						\$ 31,629					\$ 31,629
Federal	\$ 148,527	\$ 37,688	\$ 47,117	-	\$ 301,434	-	\$ 59,541		\$ 1,136,788	\$ 486,304	\$ 2,217,399
Other	-	-	-	\$ 12,794	-	-	-	\$ 16,348	-	-	29,142
Total Revenues	\$ 148,527	\$ 37,688	\$ 47,117	\$ 12,794	\$ 301,434	\$ 31,629	\$ 59,541	\$ 16,348	\$ 1,136,788	\$ 486,304	\$ 2,278,170
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers		\$ 28,488	\$ 6,737		\$ 43,313		\$ 50,737		\$ 116,763	\$ 116,408	\$ 362,446
Other Salaries for Instruction									546,666	271,719	818,385
Purchased Professional Services					7,750						-
Other Purchased Services					1,996				26,909	11,452	7,750
General Supplies	\$ 16,017		5,395								61,769
Other Objects	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	16,017	28,488	12,132	-	53,059	-	50,737	-	690,338	399,579	1,250,350
Support Services											
Salaries	4,092	6,000			153,944			\$ 15,186	109,719	27,035	315,976
Personnel Services Employee Benefits		2,568	515		67,988		3,917	1,162	218,756	33,095	328,001
Cleaning, Repair, and Maintenance Services											-
Purchased Professional Education Services	112,150				10,650						112,150
Other Purchased Professional Services	-										10,650
Communication and Telephone											-
Energy (Heat & Electricity)											-
Purchased Property Services											-
Rental											-
Travel					126						126
Other Purchased Services					378				107,055	23,020	130,453
Supplies and Materials	16,268			\$ 12,794	2,400	\$ 31,629	4,887		4,941		72,919
Miscellaneous Expenditures		632			12,889						13,521
Scholarships Awarded											-
Student Activities											-
Total Support Services	132,510	9,200	515	12,794	248,375	31,629	8,804	16,348	440,471	83,150	983,796
Facilities Acquisition and Construction											
Rental of Buildings											-
Instructional Equipment			34,470						5,979	3,575	44,024
Total Facilities Acquisition and Construction			34,470						5,979	3,575	40,449
Total Expenditures	148,527	37,688	47,117	12,794	301,434	31,629	59,541	16,348	1,136,788	486,304	2,278,170
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  
PRESCHOOL EDUCATION PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2022**

	<b>Balance July 1, <u>2021</u></b>	<b><u>Receipts</u></b>	<b>Disburse- <u>ments</u></b>	<b>Balance June 30, <u>2022</u></b>
SCHOOLS				
District Student Activity	\$ 13,884	\$ 14,819	\$ 4,184	\$ 24,519
	<u>\$ 13,884</u>	<u>\$ 14,819</u>	<u>\$ 4,184</u>	<u>\$ 24,519</u>

**CAPITAL PROJECTS FUND**



**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, 2022**

<b>Revenues and Other Financing Sources</b>	
County Aid	\$ 1,200,000
	<u>1,200,000</u>
<b>Expenditures and Other Financing Uses</b>	
Purchased Professional and Technical Services	20,740
Facilities Acquisition and Construction Services	574,252
Equipment	184,551
Supplies and Materials	<u>297,203</u>
	<u>1,076,746</u>
Excess of Revenues Over Expenditures	123,254
Fund Balance - Beginning of Year	<u>963,537</u>
Fund Balance - End of Year	<u>\$ 1,086,791</u>

**ENTERPRISE FUNDS**

**EXHIBIT G-1**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ENTERPRISE FUND  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2022**

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, 2022**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2022**

	<b>Norman A. Bleshman Regional Day School</b>	<b>One to One Aides</b>	<b>Extended Year</b>	<b>Career Crossroads</b>	<b>Project Search</b>	<b>Home Hospital</b>	<b>Education Enterprises</b>	<b>Interlocal Agreements</b>	<b>ETTC</b>	<b>Management Agreement</b>	<b>Compensated Absences</b>	<b>Totals</b>
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash and Cash Equivalents	\$ 221,796		\$ 10,805						\$ 76,755	\$ 33,998		\$ 343,354
Accounts Receivable	1,183,501	\$ 1,742,839	56,600	\$ 21,312	\$ 57,350	\$ 15,600	\$ 1,292,035	\$ 1,283,572				5,652,809
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	\$ 1,716,577	1,716,577
<b>Total Current Assets</b>	<b>1,405,297</b>	<b>1,742,839</b>	<b>67,405</b>	<b>21,312</b>	<b>57,350</b>	<b>15,600</b>	<b>1,292,035</b>	<b>1,283,572</b>	<b>76,755</b>	<b>33,998</b>	<b>1,716,577</b>	<b>7,712,740</b>
<b>Capital Assets</b>												
Furniture, machinery & equipment	3,516,189			3,334	-		78,082		147,953	64,935		3,810,493
Less: Accumulated Depreciation	(635,380)	-	-	(2,109)	-	-	(78,082)	-	(110,895)	(12,987)	-	(839,453)
<b>Total Capital Assets, Net</b>	<b>2,880,809</b>	<b>-</b>	<b>-</b>	<b>1,225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,058</b>	<b>51,948</b>	<b>-</b>	<b>2,971,040</b>
<b>Total Assets</b>	<b>4,286,106</b>	<b>1,742,839</b>	<b>67,405</b>	<b>22,537</b>	<b>57,350</b>	<b>15,600</b>	<b>1,292,035</b>	<b>1,283,572</b>	<b>113,813</b>	<b>85,946</b>	<b>1,716,577</b>	<b>10,683,780</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Accounts Payable	342,856	1,171	300	20,315	8,428	79	53,980	229,898	351	10,000		667,378
Other							209					209
Due to Other Funds	-	580,407	-	23,430	13,552	47,527	1,251,004	488,410	-	-	-	2,404,330
<b>Total Current Liabilities</b>	<b>342,856</b>	<b>581,578</b>	<b>300</b>	<b>43,745</b>	<b>21,980</b>	<b>47,606</b>	<b>1,305,193</b>	<b>718,308</b>	<b>351</b>	<b>10,000</b>	<b>-</b>	<b>3,071,917</b>
<b>Noncurrent Liabilities</b>												
Compensated Absences	155,030	-	-	-	-	-	-	-	-	-	1,716,577	1,871,607
<b>Total Noncurrent Liabilities</b>	<b>155,030</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,716,577</b>	<b>1,871,607</b>
<b>Total Liabilities</b>	<b>497,886</b>	<b>581,578</b>	<b>300</b>	<b>43,745</b>	<b>21,980</b>	<b>47,606</b>	<b>1,305,193</b>	<b>718,308</b>	<b>351</b>	<b>10,000</b>	<b>1,716,577</b>	<b>4,943,524</b>
<b>NET POSITION</b>												
Net Investment in capital assets	2,880,809			1,225			-		37,058	51,948		2,971,040
Unrestricted	907,411	1,161,261	67,105	(22,433)	35,370	(32,006)	(13,158)	565,264	76,404	23,998	-	2,769,216
<b>Total Net Position</b>	<b>\$ 3,788,220</b>	<b>\$ 1,161,261</b>	<b>\$ 67,105</b>	<b>\$ (21,208)</b>	<b>\$ 35,370</b>	<b>\$ (32,006)</b>	<b>\$ (13,158)</b>	<b>\$ 565,264</b>	<b>\$ 113,462</b>	<b>\$ 75,946</b>	<b>\$ -</b>	<b>\$ 5,740,256</b>

**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, 2021**

	Norman A. Bleshman Regional Day School	On Bchalf TPAF	One to One Aides	Extended Year	Career Crossroads	Project Search	Home Hospital	Education Enterprises	Interlocal Agreements	ETTC	Management Agreement	Compensated Absences	Totals
<b>REVENUES</b>													
Operating Revenues													
Tuition from LEAS	\$ 6,538,651												\$ 6,538,651
Charges and Fees	54,682		\$ 7,829,075	\$ 4,018,967	\$ 206,016	\$ 231,570	\$ 41,460	\$ 6,717,484	\$ 9,502,851	\$ 4,088	\$ 840,000		29,446,193
Federal Aid	-												-
<b>On-Behalf (Non-Budgeted)</b>													
TPAF Pension System													
Post Retirement Medical		\$ 5,020,716											5,020,716
Normal Cost		1,171,127											1,171,127
Non-Contributory Group Insurance		62,087											62,087
Non-Contributory Long Term Dis. Insurance		1,436											1,436
Reimbursed TPAF Social Security Contributions		910,892											910,892
Total Operating Revenues	<u>6,593,333</u>	<u>7,166,258</u>	<u>7,829,075</u>	<u>4,018,967</u>	<u>206,016</u>	<u>231,570</u>	<u>41,460</u>	<u>6,717,484</u>	<u>9,502,851</u>	<u>4,088</u>	<u>840,000</u>	<u>-</u>	<u>43,151,102</u>
<b>EXPENSES</b>													
Operating Expenses													
Instruction-Special Education	2,072,794		4,444,632	1,500,497	186,493	138,667	57,915	5,764,133	5,233,840	14,366			19,413,337
School Sponsored Cocurricular Activities													-
Health Services	186,876			76,382					53,424				316,682
Speech, OT,PT and Related Services	1,585,107		189,198	185,715					966,819				2,926,839
Child Study Team	137,298			109,117		24,303			403,291				674,009
Admin. Info. Technology	25,000												25,000
Instructional Staff Training Services (200)									307				107
General Administration	29,985			23,169				2,891					56,045
School Administration	201,125			180,428		11,000		178,372	229,346				800,271
Operation and Maintenance of Plant	443,587			206,776	3,788		1,036	5,397					660,584
Student Transportation				45,405									45,405
Business/Central Services	54,696			328,284					329,443		678,282		1,390,705
Unallocated Benefits	1,278,949		2,903,242	1,363,495	40,405	51,587	13,321	831,594	2,026,285		164,412		8,673,290
On-behalf Benefits		7,166,258											7,166,258
Depreciation	159,195				333					10,335	12,987		182,850
Total Operating Expenses	<u>6,174,412</u>	<u>7,166,258</u>	<u>7,537,072</u>	<u>4,019,268</u>	<u>231,019</u>	<u>225,557</u>	<u>72,272</u>	<u>6,782,387</u>	<u>9,242,755</u>	<u>24,701</u>	<u>855,681</u>	<u>-</u>	<u>42,331,382</u>
Operating Income (Loss)	<u>418,921</u>	<u>-</u>	<u>292,003</u>	<u>(301)</u>	<u>(25,003)</u>	<u>6,013</u>	<u>(30,812)</u>	<u>(64,903)</u>	<u>260,096</u>	<u>(20,613)</u>	<u>(15,681)</u>	<u>-</u>	<u>819,720</u>
Net Income (Loss) Before Operating Transfers	418,921	-	292,003	(301)	(25,003)	6,013	(30,812)	(64,903)	260,096	(20,613)	(15,681)	-	819,720
Other Financing Sources (Uses)													
Transfer In(out)	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Net Position	418,921	-	292,003	(301)	(25,003)	6,013	(30,812)	(64,903)	260,096	(20,613)	(15,681)	-	819,720
Total Net Position - Beginning of Year, Restated	<u>3,369,299</u>	<u>-</u>	<u>869,258</u>	<u>67,406</u>	<u>\$ 3,795</u>	<u>29,357</u>	<u>(1,194)</u>	<u>51,745</u>	<u>305,168</u>	<u>134,075</u>	<u>91,627</u>	<u>-</u>	<u>4,920,536</u>
Total Net Position - Ending of Year	<u>\$ 3,788,220</u>	<u>\$ -</u>	<u>\$ 1,161,261</u>	<u>\$ 67,105</u>	<u>\$ (21,208)</u>	<u>\$ 35,370</u>	<u>\$ (32,006)</u>	<u>\$ (13,158)</u>	<u>\$ 565,264</u>	<u>\$ 113,462</u>	<u>\$ 75,946</u>	<u>\$ -</u>	<u>\$ 5,740,256</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINED STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<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>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>												
Receipts from Customers	\$ 6,479,477	\$ 7,673,548	\$ 4,019,367	\$ 232,656	\$ 203,596	\$ 41,980	\$ 6,773,205	\$ 9,788,748	\$ 4,088	\$ 840,000		\$ 36,056,665
Payments to Employees	(4,154,770)	(4,632,824)	(2,001,985)	160,170	(164,693)	(57,915)	(5,684,925)	(6,431,989)		(658,282)		(23,627,213)
Payments to Suppliers for Goods and Services	(2,247,336)	(3,058,277)	(2,016,983)	(379,694)	(57,511)	(16,057)	(1,226,787)	(2,801,672)	(14,247)	(182,412)	-	(12,000,976)
Net Cash Provided by (Used for) Operating Activities	<u>77,371</u>	<u>(17,553)</u>	<u>399</u>	<u>13,132</u>	<u>(18,608)</u>	<u>(31,992)</u>	<u>(138,507)</u>	<u>555,087</u>	<u>(10,159)</u>	<u>(694)</u>	<u>-</u>	<u>428,476</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>												
Transfers from (to) Other Funds	-	15,407		(16,570)	13,552	31,527	131,004	(561,590)	-	-	-	(386,670)
Net Cash Provided by (Used For) Noncapital Financing Activities	<u>-</u>	<u>15,407</u>	<u>-</u>	<u>(16,570)</u>	<u>13,552</u>	<u>31,527</u>	<u>131,004</u>	<u>(561,590)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(386,670)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>												
Purchases of Capital Assets	(898,812)	-	-	-	-	-	-	-	(3,732)	-	-	(902,544)
Net Cash Provided by (Used) Capital and Related Financing Activities	<u>(898,812)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,732)</u>	<u>-</u>	<u>-</u>	<u>(902,544)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(821,441)	(2,146)	399	(3,438)	-	(465)	(7,503)	(6,503)	(13,891)	(694)	-	(860,738)
Balances - Beginning of Year	1,043,237	2,146	10,406	\$ 3,438	5,056	465	7,503	6,503	90,646	34,692	-	1,204,092
Balances - End of Year	<u>\$ 221,796</u>	<u>\$ -</u>	<u>\$ 10,805</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,755</u>	<u>\$ 33,998</u>	<u>\$ -</u>	<u>\$ 343,354</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>												
Operating Income (Loss)	\$ 418,921	\$ 292,003	(301)	\$ (25,003)	\$ 6,013	\$ (30,812)	\$ (64,903)	\$ 260,096	\$ (20,613)	\$ (15,681)	-	\$ 819,720
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities												
Depreciation	159,195			333					\$ 10,335	12,987		182,850
Changes in Assets and Liabilities												
(Increase) Decrease in Accounts Receivable, net	(113,856)	(155,527)	400	26,640	(27,974)	520	55,721	285,897		-		71,821
Increase(Decrease) in Other Current Liabilities	-	-		-	-	-	-	-				-
Increase(Decrease) in Accounts Payable	(386,889)	(154,029)	300	11,162	3,353	(1,700)	(129,325)	9,094	119	2,000	-	(645,915)
Total Adjustments	<u>(341,550)</u>	<u>(309,556)</u>	<u>700</u>	<u>38,135</u>	<u>(24,621)</u>	<u>(1,180)</u>	<u>(73,604)</u>	<u>294,991</u>	<u>10,454</u>	<u>14,987</u>	<u>-</u>	<u>(391,244)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 77,371</u>	<u>\$ (17,553)</u>	<u>\$ 399</u>	<u>\$ 13,132</u>	<u>\$ (18,608)</u>	<u>\$ (31,992)</u>	<u>\$ (138,507)</u>	<u>\$ 555,087</u>	<u>\$ (10,159)</u>	<u>\$ (694)</u>	<u>\$ -</u>	<u>\$ 428,476</u>

**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,									
	2013	2014	2015	2016	2017	2018	2019	2020 (As Restated)	2021	2022
<b>Governmental Activities</b>										
Net Investment In Capital Assets	\$ 18,592,221	\$ 28,029,852	\$ 55,642,957	\$ 58,293,757	\$ 56,894,523	\$ 57,165,713	\$ 57,033,773	\$ 56,576,886	\$ 58,851,054	\$ 60,553,573
Restricted	2,351,608	2,969,847	8,056,525	3,012,582	4,113,403	5,468,478	6,233,710	7,745,206	9,327,507	9,830,608
Unrestricted	7,439,085	(32,139,913)	(39,748,375)	(42,507,044)	(44,204,588)	(48,139,600)	(48,598,459)	(46,943,976)	(49,456,267)	(43,940,206)
<b>Total Governmental Activities Net Position</b>	<u>\$ 28,382,914</u>	<u>\$ (1,140,214)</u>	<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>
<b>Business-Type Activities</b>										
Net Investment In Capital Assets	\$ 10,301	\$ 5,451	\$ 601							\$ 10,838
Unrestricted	(1,264)	723	296	\$ 11,496	\$ 70,389	\$ 94,678	\$ 117,004	\$ 68,133	\$ 74,772	110,770
<b>Total Business-Type Activities Net Position</b>	<u>\$ 9,037</u>	<u>\$ 6,174</u>	<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>
<b>District-Wide</b>										
Net Investment In Capital Assets	\$ 18,602,522	\$ 28,035,303	\$ 55,643,558	\$ 58,293,757	\$ 56,894,523	\$ 57,165,713	\$ 57,033,773	\$ 56,576,886	\$ 58,851,054	\$ 60,564,411
Restricted	2,351,608	2,969,847	8,056,525	3,012,582	4,113,403	5,468,478	6,233,710	7,745,206	9,327,507	9,830,608
Unrestricted	7,437,821	(32,139,190)	(39,748,079)	(42,495,548)	(44,134,199)	(48,044,922)	(48,481,455)	(46,875,843)	(49,381,495)	(43,829,436)
<b>Total District Net Position</b>	<u>\$ 28,391,951</u>	<u>\$ (1,134,040)</u>	<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>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions"

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,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
<b>Governmental Activities</b>										
Instruction										
Special Education	\$ 57,197,958	\$ 57,622,070	\$ 63,251,697	\$ 67,247,123	\$ 68,922,293	\$ 75,172,372	\$ 71,260,464	\$ 70,448,783	\$ 74,805,566	\$ 68,974,993
Support Services:										
Student & Instruction Related Services	20,057,553	21,576,516	25,932,852	28,918,263	33,085,833	31,589,371	29,873,164	27,904,341	29,123,984	25,910,009
School Administration Services	4,079,030	4,060,903	4,522,433	5,079,817	5,708,571	5,480,247	5,036,095	5,161,235	5,552,701	4,883,343
General Administration	1,318,281	1,093,917	1,339,388	1,027,257	1,185,658	1,726,322	1,134,987	1,083,412	1,066,715	1,198,892
Plant Operations And Maintenance	7,409,191	7,281,327	7,726,049	8,570,967	8,418,619	9,476,019	9,377,404	9,786,159	9,786,931	9,094,816
Pupil Transportation	1,648,043	1,674,482	1,622,300	1,903,511	2,004,151	2,238,886	2,252,630	2,172,517	2,056,277	1,523,415
Support Svc- Central Svc/Admin Info Tech	2,372,887	2,435,174	2,235,759	2,272,376	2,383,844	2,836,193	2,879,868	2,743,706	2,278,400	1,977,874
<b>Total Governmental Activities Expenses</b>	<b>94,082,943</b>	<b>95,744,389</b>	<b>106,630,478</b>	<b>115,019,314</b>	<b>121,708,969</b>	<b>128,319,410</b>	<b>121,814,612</b>	<b>119,300,153</b>	<b>124,670,574</b>	<b>113,563,342</b>
<b>Business-Type Activities:</b>										
Food Service	452,794	419,436	404,752	489,687	490,413	477,876	476,061	378,688	281,148	478,707
<b>Total Business-Type Activities Expense</b>	<b>452,794</b>	<b>419,436</b>	<b>404,752</b>	<b>489,687</b>	<b>490,413</b>	<b>477,876</b>	<b>476,061</b>	<b>378,688</b>	<b>281,148</b>	<b>478,707</b>
<b>Total District Expenses</b>	<b>\$ 94,535,737</b>	<b>\$ 96,163,825</b>	<b>\$ 107,035,230</b>	<b>\$ 115,509,001</b>	<b>\$ 122,199,382</b>	<b>\$ 128,997,286</b>	<b>\$ 122,290,673</b>	<b>\$ 119,678,841</b>	<b>\$ 124,951,722</b>	<b>\$ 114,042,049</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges For Services:										
Operating Grants And Contributions	15,697,854	14,629,772	21,918,039	24,011,839	29,847,566	37,738,856	31,572,505	27,335,258	34,748,201	29,067,911
Capital Grants And Contributions	4,019,867	10,795,942	38,228,087	857,842	586,520	881,200	959,231	950,308	1,526,228	1,931,169
<b>Total Governmental Activities Program Revenues</b>	<b>88,244,168</b>	<b>95,954,336</b>	<b>133,139,925</b>	<b>99,753,837</b>	<b>109,072,789</b>	<b>115,297,034</b>	<b>110,325,948</b>	<b>108,602,648</b>	<b>114,084,670</b>	<b>109,267,973</b>
<b>Business-Type Activities:</b>										
Charges For Services										
Food Service	97,634	120,189	94,363	126,777	147,180	147,380	137,665	102,783	2,818	14,660
Operating Grants And Contributions	209,354	216,384	208,112	201,509	202,126	204,785	210,722	152,034	184,969	498,368
<b>Total Business Type Activities Program Revenues</b>	<b>306,988</b>	<b>336,573</b>	<b>302,475</b>	<b>328,286</b>	<b>349,306</b>	<b>352,165</b>	<b>348,387</b>	<b>254,817</b>	<b>187,787</b>	<b>513,028</b>
<b>Total District Program Revenues</b>	<b>\$ 88,551,156</b>	<b>\$ 96,290,909</b>	<b>\$ 133,442,400</b>	<b>\$ 100,082,123</b>	<b>\$ 109,422,095</b>	<b>\$ 115,649,199</b>	<b>\$ 110,674,335</b>	<b>\$ 108,857,465</b>	<b>\$ 114,272,457</b>	<b>\$ 109,781,001</b>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	<b>\$ (5,838,775)</b>	<b>\$ 209,947</b>	<b>\$ 26,509,447</b>	<b>\$ (15,265,477)</b>	<b>\$ (12,636,180)</b>	<b>\$ (13,222,376)</b>	<b>\$ (11,488,664)</b>	<b>\$ (10,697,505)</b>	<b>\$ (10,585,904)</b>	<b>\$ (4,295,369)</b>
<b>Business-Type Activities</b>	<b>(145,806)</b>	<b>(82,863)</b>	<b>(102,277)</b>	<b>(161,401)</b>	<b>(141,107)</b>	<b>(125,711)</b>	<b>(127,674)</b>	<b>(123,871)</b>	<b>(93,361)</b>	<b>34,321</b>
<b>Total District-Wide Net Expense</b>	<b>\$ (5,984,581)</b>	<b>\$ 127,084</b>	<b>\$ 26,407,170</b>	<b>\$ (15,426,878)</b>	<b>\$ (12,777,287)</b>	<b>\$ (13,348,087)</b>	<b>\$ (11,616,338)</b>	<b>\$ (10,821,376)</b>	<b>\$ (10,679,265)</b>	<b>\$ (4,261,048)</b>
<b>General Revenues And Other Changes In Net Position</b>										
<b>Governmental Activities:</b>										
Property Taxes Levied For General Purposes, Net	\$ 8,324,185	\$ 8,490,668	\$ 8,867,475	\$ 8,867,475	\$ 9,577,003	\$ 9,864,312	\$ 10,261,598	\$ 10,518,107	\$ 10,623,288	\$ 10,835,754
Federal And State Aid Restricted	45,335	31,905	80,341	50,791	158,326	10,449	6,990	-	-	-
Investment Earnings	41,718	37,817	25,775	18,330	12,187	36,974	110,368	122,595	14,655	12,611
Miscellaneous Income	1,043,388	944,291	1,292,403	1,349,069	1,092,707	1,151,894	1,434,141	2,192,109	1,392,139	1,168,685
Disposal of Capital Assets, net	-	-	(5,648,897)	-	-	-	-	(16,359)	-	-
Transfers	(125,000)	(80,000)	(97,000)	(172,000)	(200,000)	(150,000)	(150,000)	(75,000)	(100,000)	-
<b>Total Governmental Activities</b>	<b>9,329,626</b>	<b>9,424,681</b>	<b>4,520,097</b>	<b>10,113,665</b>	<b>10,640,223</b>	<b>10,913,629</b>	<b>11,663,097</b>	<b>12,741,452</b>	<b>11,930,082</b>	<b>12,017,050</b>
<b>Business-Type Activities:</b>										
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Transfers	125,000	80,000	97,000	172,000	200,000	150,000	150,000	75,000	100,000	-
<b>Total Business-Type Activities</b>	<b>125,000</b>	<b>80,000</b>	<b>97,000</b>	<b>172,000</b>	<b>200,000</b>	<b>150,000</b>	<b>150,000</b>	<b>75,000</b>	<b>100,000</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 9,454,626</b>	<b>\$ 9,504,681</b>	<b>\$ 4,617,097</b>	<b>\$ 10,285,665</b>	<b>\$ 10,840,223</b>	<b>\$ 11,063,629</b>	<b>\$ 11,813,097</b>	<b>\$ 12,816,452</b>	<b>\$ 12,030,082</b>	<b>\$ 12,017,050</b>
<b>Change In Net Position</b>										
<b>Governmental Activities</b>	<b>\$ 3,490,851</b>	<b>\$ 9,634,628</b>	<b>\$ 31,029,544</b>	<b>\$ (5,151,812)</b>	<b>\$ (1,995,957)</b>	<b>\$ (2,308,747)</b>	<b>\$ 174,433</b>	<b>\$ 2,043,947</b>	<b>\$ 1,344,178</b>	<b>\$ 7,721,681</b>
<b>Business-Type Activities</b>	<b>(20,806)</b>	<b>(2,863)</b>	<b>(5,277)</b>	<b>(10,599)</b>	<b>(58,893)</b>	<b>(24,289)</b>	<b>(48,871)</b>	<b>6,639</b>	<b>(48,871)</b>	<b>34,321</b>
<b>Total District</b>	<b>\$ 3,470,045</b>	<b>\$ 9,631,765</b>	<b>\$ 31,024,267</b>	<b>\$ (5,141,213)</b>	<b>\$ (1,937,064)</b>	<b>\$ (2,284,458)</b>	<b>\$ 196,759</b>	<b>\$ 1,995,076</b>	<b>\$ 1,350,817</b>	<b>\$ 7,756,002</b>

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,									
	2013	2014	2015	2016	2017	2018	2019	2020 (As Restated)	2021	2022
General Fund										
Restricted	\$ 2,355,589	\$ 2,273,828	\$ 2,903,507	\$ 2,256,492	\$ 3,939,961	\$ 4,907,092	\$ 5,643,187	\$ 7,271,649	\$ 8,276,990	\$ 8,650,917
Committed						1,125,621	-			1,754,007
Assigned	2,001,801	1,997,861	1,841,124	1,302,525	3,041,642	1,636,488	4,033,954	6,191,699	4,310,923	2,678,481
Unassigned	<u>2,572,304</u>	<u>3,288,541</u>	<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>
Total General Fund	<u>\$ 6,929,694</u>	<u>\$ 7,560,230</u>	<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>
All Other Governmental Funds										
Restricted	\$ (3,981)	\$ 696,019	\$ 4,894,565	\$ 630,103	\$ 135,984	\$ 561,386	\$ 590,523	\$ 473,057	\$ 1,050,517	\$ 1,179,691
Total All Other Governmental Funds	<u>\$ (3,981)</u>	<u>\$ 696,019</u>	<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>

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,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Tax Levy	\$ 8,324,185	\$ 8,490,668	\$ 8,867,475	\$ 8,867,475	\$ 9,577,003	\$ 9,864,312	\$ 10,261,598	\$ 10,518,107	\$ 10,623,288	\$ 10,835,754
County Aid	4,019,867	10,795,942	38,228,087	857,842	586,520	881,204	959,231	950,308	1,524,090	1,200,000
Tuition Charges	42,851,653	43,600,836	44,579,033	44,613,401	45,385,141	43,944,081	43,394,851	45,273,830	42,396,528	41,561,486
Non-Resident Fees	1,160,400	1,136,400	1,131,600	1,094,400	1,216,875	1,175,175	1,227,825	1,216,669	1,241,736	1,260,563
Interest Earnings	41,718	37,817	25,775	18,330	12,187	36,974	110,368	122,595	14,655	12,611
Miscellaneous	8,882,018	8,829,812	9,217,624	9,546,829	9,097,418	9,582,060	9,712,013	8,880,856	8,525,965	9,276,397
State Sources	7,431,345	4,569,180	5,837,277	6,225,441	6,901,917	7,794,656	7,711,831	7,472,244	9,400,961	9,873,029
Federal Sources	473,214	408,428	1,181,175	573,922	947,774	1,709,737	1,995,518	1,753,721	1,109,899	2,972,523
<b>Total Revenue</b>	<b>73,184,400</b>	<b>77,869,083</b>	<b>109,068,046</b>	<b>71,797,640</b>	<b>73,724,835</b>	<b>74,988,199</b>	<b>75,373,235</b>	<b>76,188,330</b>	<b>74,837,122</b>	<b>76,992,363</b>
<b>Expenditures</b>										
Instruction										
Special Education Instruction	39,725,825	36,960,825	38,383,229	40,375,830	38,636,682	38,079,430	38,096,767	37,108,889	36,563,510	40,500,078
Support Services:										
Student & Inst. Related Service:	17,100,507	18,109,204	20,165,412	20,170,355	19,205,093	21,234,274	20,383,366	19,560,737	20,675,949	19,679,774
General Administration	1,090,815	999,609	1,025,687	952,238	1,086,849	1,332,370	1,014,696	935,666	981,512	1,086,752
School Administration Services	3,271,583	3,007,015	3,009,713	3,249,003	3,010,951	3,051,171	2,972,430	3,280,884	3,515,173	3,334,463
Plant Operations And Maintena:	5,701,618	5,151,593	5,107,126	5,529,177	4,890,153	5,450,506	5,690,062	6,337,409	6,231,565	6,155,106
Pupil Transportation	1,261,603	1,255,480	1,209,500	1,454,088	1,405,377	1,435,645	1,583,574	1,515,736	1,429,960	1,190,698
Other Support Services	704,132	576,707	621,947	786,212	736,493	755,584	693,787	656,368	776,183	610,479
Debt Service										
Principal										
Interest on Long Term Debt										
Capital Outlay	3,249,976	11,148,114	35,553,370	5,330,637	1,420,866	2,440,407	2,749,764	2,542,906	4,957,191	4,122,216
<b>Total Expenditures</b>	<b>72,106,059</b>	<b>77,208,547</b>	<b>105,075,984</b>	<b>77,847,540</b>	<b>70,392,464</b>	<b>73,779,387</b>	<b>73,184,446</b>	<b>71,938,595</b>	<b>75,131,043</b>	<b>76,679,566</b>
<b>Excess (Deficiency) Of Revenues</b>										
Over (Under) Expenditures	1,078,341	660,536	3,992,062	(6,049,900)	3,332,371	1,208,812	2,188,789	4,249,735	(293,921)	312,797
<b>Other Financing Sources (Uses)</b>										
Capital Leases (Non-Budgeted)										
Transfers In	500,000	1,498,745	2,565,562	1,476,505	437,276	969,529	180,291	40,536	-	-
Transfers Out	(125,000)	(828,745)	(1,912,562)	(1,148,505)	(1,137,276)	(1,119,529)	(330,291)	(115,536)	(100,000)	-
<b>Total Other Financing Sources (Use):</b>	<b>375,000</b>	<b>670,000</b>	<b>653,000</b>	<b>328,000</b>	<b>(700,000)</b>	<b>(150,000)</b>	<b>(150,000)</b>	<b>(75,000)</b>	<b>(100,000)</b>	<b>-</b>
<b>Net Change In Fund Balances</b>	<b>\$ 1,453,341</b>	<b>\$ 1,330,536</b>	<b>\$ 4,645,062</b>	<b>\$ (5,721,900)</b>	<b>\$ 2,632,371</b>	<b>\$ 1,058,812</b>	<b>\$ 2,038,789</b>	<b>\$ 4,174,735</b>	<b>\$ (393,921)</b>	<b>\$ 312,797</b>
<b>Debt Service As A Percentage Of</b>										
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)**

<b>Fiscal Year Ended June 30,</b>	<b><u>Interest Earned</u></b>	<b><u>Services Provided Other LEAs</u></b>	<b><u>Refunds/ Reimbursements</u></b>	<b><u>Workshop Revenue</u></b>	<b><u>Miscellaneous</u></b>	<b><u>Total</u></b>
2013	\$ 41,718	\$ 878,777	\$ 119,556	\$ 16,074	\$ 28,981	\$ 1,085,106
2014	67,065	638,722	58,055	9,235	209,031	982,108
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

**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
2013	\$ 79,070,936,935	\$ 75,049,684,025	\$ 154,120,620,960	\$ 129,981,494	\$ 154,250,602,454	\$ 165,008,934,260
2014	78,408,456,350	75,186,325,534	153,594,781,884	97,873,857	153,692,655,721	162,301,130,131
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	16,787,175	174,741,018,059	194,949,256,706

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
2013	\$ 0.2248	\$ 0.0025	\$ 0.2273
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	0.2397	0.0100	0.2497

Source: County Abstract of Ratables

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

Taxpayer	2021		2012	
	Assessed Valuation	% of County's Net Assessed Valuation	Assessed Valuation	% of County's Net Assessed Valuation

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
2013	\$ 8,324,185	\$ 8,324,185	100.00%
2014	8,490,668	8,490,668	100.00%
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%

**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>
2013	-	-	920,021	\$0
2014	-	-	923,475	\$0
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	-	-	953,819 (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, 2021  
(Unaudited)**

Net Direct Debt of School District  
as of June 30, 2022

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 839,785,818

Bergen County Utilities Authority - Water Pollution (100%)

188,258,987

\$ 1,028,044,805

Total Direct and Overlapping Debt

\$ 1,028,044,805

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Legal Debt Margin Calculation as of December 31, 2020 (County Debt)</b>									
Average equalized valuation of taxable property (last three years)	\$ 165,344,818,875	\$ 163,332,190,759	\$ 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
Debt limit (2% of average equalization value)	3,306,896,378	3,266,643,815	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
Net Debt Issued Outstanding and Authorized	<u>849,429,739</u>	<u>933,422,641</u>	<u>1,089,653,537</u>	<u>1,205,030,344</u>	<u>876,045,885</u>	<u>875,747,791</u>	<u>855,398,427</u>	<u>954,754,121</u>	<u>839,785,818</u>
Remaining Borrowing Capacity	<u>\$ 2,457,466,639</u>	<u>\$ 2,333,221,174</u>	<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>

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>		<u>County Per Capital Personal Income**</u>	<u>Unemployment Rate*</u>
2022	953,819	(1)	N/A	N/A
2021	953,819		N/A	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%
2014	923,475		73,883	5.4%
2013	920,021		71,286	7.1%

(1) Estimate

\* Amounts noted are for Bergen County

\*\* US Bureau of the Census, Population Division, 10/00 and Census 2000 Data for New Jersey  
General Demographic Profile

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>2022</u>		<u>2013</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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular										
Special education	323.2	299.2	299.2	304.9	313.0	293.4	262.0	267.3	274.2	263.0
Other special education	2.5	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
Support Services:										
Student & instruction related services	73.3	74.5	74.5	72.7	69.6	71.4	68.4	67.3	67.9	67.8
Health Services	10.5	10.0	10.0	10.0	10.0	10.0	10.8	10.5	10.5	9.7
Educational Media Services	6.7	9.1	9.1	9.1	9.9	9.1	7.0	6.8	6.8	6.8
General administration	1.7	1.9	1.9	2.0	2.0	2.1	2.1	2.1	1.9	1.9
School administrative services	19.9	22.3	22.8	22.8	21.9	20.9	19.2	21.9	23.4	22.4
Central services	6.0	6.2	6.2	6.1	6.1	5.6	6.1	5.9	7.8	7.7
Plant operations and maintenance	22.6	18.8	18.8	20.5	24.0	23.4	24.4	26.4	26.4	27.4
Pupil transportation	14.3	15.6	15.6	12.4	11.9	10.4	11.5	11.5	12.0	12.0
Special Schools	26.8	27.4	27.4	31.4	32.4	32.2	27.7	21.6	16.0	16.1
<b>Total</b>	<u>507.5</u>	<u>486.5</u>	<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>

Source: District Personnel Records

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

<u>Fiscal Year</u>	<u>Enrollment<sup>a</sup></u>	<u>Operating Expenditures<sup>b</sup></u>	<u>Cost Per Pupil<sup>c</sup></u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/ Teacher Ratio</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2013	651	\$ 68,856,083	\$ 105,770	8.56%	220	2.96	667	615	-4.10%	92.32%
2014	654	66,060,433	101,010	-4.50%	N/A	N/A	678	626	1.73%	92.33%
2015	653	69,522,614	106,466	5.40%	209	3.12	675	622	-0.44%	92.15%
2016	658	72,516,903	110,208	3.51%	129	5.10	655	602	-2.96%	91.91%
2017	663	68,971,598	104,030	-5.61%	127	5.22	642	590	-1.98%	91.90%
2018	614	71,338,980	116,187	0.12	119	5.16	612	563	-4.67%	91.99%
2019	595	70,434,682	118,378	1.89%	109	5.46	588	535	-3.92%	90.99%
2020	594	69,395,689	116,828	-1.31%	109	5.45	603	561	2.55%	93.03%
2021	594	70,173,852	118,138	1.12%	114	5.21	592	528	-1.82%	89.19%
2022	555	72,557,350	130,734	10.66%	112	4.96	578	501	-2.36%	86.68%

Sources: District records

Note: a Enrollment based on annual October district count.  
b 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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
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	63	61	54	52	41	23	25	23	26
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	58	58	52	44	43	44	37	36	33	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	130	127	132	90	85	76	70	74	78	72
Brownstone, Saddle Brook										
Square Feet	20,106	20,106	20,106	20,096	20,096	20,096	20,096	20,096	20,096	20,096
Capacity (students)										
Enrollment	58	64	76	64	55	66	72	88	73	80
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	34	37	36	40	38	31	29	34	30	28
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	108	103	98	98	102	96	76	76	124	125
Washington, Ridgewood/New Bridges										
Square Feet	19,974	19,974								
Capacity (students)										
Enrollment	63	62								
Springboard										
Square Feet	4,300	4,300				4,300	4,300	4,300	4,300	4,300
Capacity (students)										
Enrollment	45	53				30	27	29	30	33
Washington New Bridges										
Square Feet				125,000	125,000	125,000	125,000	125,000	125,000	125,000
Capacity (students)										
Enrollment				122	132	123	130	130	121	126
Number of Schools at June 30, 2022										
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)**

School Facilities	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Union St. - Hrg. Imp., Hackensack	\$ 11,365	\$ 11,798	\$ 17,100	\$ 11,122	\$ 12,483	\$ 18,863	\$ 18,489	\$ 16,083	\$ 21,551	\$ 24,740
Piermont Campus, Rockleigh										
Woodridge Transition Center	27,160	28,196	40,868	43,849	29,830	45,076	44,182	38,435	51,501	45,125
Rocco Montesano, Paramus	56,402	58,630	84,871	55,214	61,949	93,609	91,755	79,819	106,954	
Brownstone, Saddle Brook	28,336	29,419	42,640	27,738	31,123	47,029	46,098	40,101	53,734	70,509
Gateway, Hackensack	14,100	14,639	21,218	13,801	15,487	23,402	22,939	19,955	26,738	
Godwin, Midland Park	3,525	3,660	5,304	3,450	3,872	5,851	5,735	4,989	6,685	
Washington, New Bridges				169,095	193,592	292,529	286,735	249,433	334,231	386,561
Washington, Ridgewood	14,100	14,639	21,218	-	-	-	-	-	-	-
	<u>\$ 154,988</u>	<u>\$ 160,981</u>	<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>

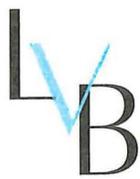
Source: District records.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF INSURANCE  
JUNE 30, 2022  
(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  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA

**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, 2022 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 February 17, 2023.

**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 have not been identified.

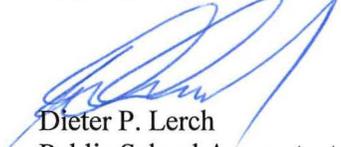
**Report on Compliance and Other Matters**

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.

**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  
February 17, 2023



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
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ROBERT LERCH, CPA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA

**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, 2022. 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, 2022.

***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.

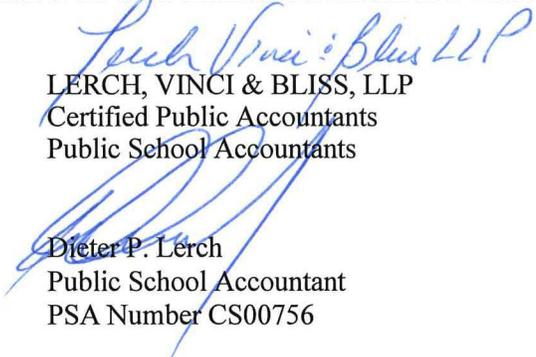
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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, 2022, 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 February 17, 2023, 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  
February 17, 2023

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2021	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2022			Memo GAAP Receivable	
										(Accounts Receivable)	Unearned Revenues	Due to Grantor		
<b>U.S. Department of Agriculture</b>														
<b>Pass-through State Department of Agriculture</b>														
<b>Enterprise Fund</b>														
School Breakfast Program	10.553	211NJ304N1099	7/1/20-6/30/21	\$ 61,289	\$ (9,076)		\$ 9,076							
School Breakfast Program	10.553	211NJ304N1099	7/1/21-6/30/22	152,003			139,991	\$ 152,003		\$ (12,012)			\$ 12,012	
Emergency Operational Cost Program-Schools	10-555	202121H170341	7/1/21-6/30/22	26,796			26,796	26,796						
National School Lunch Program	10.555													
Cash Assistance-PB Program		211NJ304N1099	7/1/20-6/30/21	2,960	(285)		285							
Cash Assistance		211NJ304N1099	7/1/20-6/30/21	98,066	(14,388)		14,388							
Cash Assistance		221NJ304N1099	7/1/21-6/30/22	280,067	-		257,774	280,067		(22,293)			22,293	
Non-cash Assistance		221NJ304N1099	7/1/21-6/30/22	34,007	1,080	-	34,007	32,892	-	-	\$ 2,195	-	-	
Total Enterprise Fund / Child Nutrition Cluster					(22,669)	-	482,317	491,758	-	(34,305)	2,195	-	34,305	
<b>U.S. Department of Education</b>														
<b>Pass-through State Department of Education</b>														
<b>General Fund</b>														
Medicaid Assistance Program	93.778	2005NJ5MAP	7/1/21-6/30/22	366,583	-	-	366,583	366,583	-	-	-	-	-	
Total General Fund					-	-	366,583	366,583	-	-	-	-	-	
<b>Special Revenue Fund</b>														
Title I Part D	84.013A	S013A190030	7/1/19-9/30/20	39,968	(82)		82			-				
Title I Part D	84.013A	S013A200030	7/1/20-9/30/21	62,596			47,117	47,117		-				
Title I Part D	84.013A	S013A210030	7/1/21-9/30/22	42,469	-	-	31,989	37,688	-	(5,699)	-	-	5,699	
Total Title I Part D					(82)	-	79,188	84,805	-	(5,699)	-	-	5,699	
Education for Homeless Children and Youth	84.196A	S196A200031	7/1/21-6/30/22	342,486			263,169	301,434		(38,265)			38,265	
Education for Homeless Children and Youth	84.196A	S196A210031	1/1/21-6/30/21	149,626	(24,097)	-	24,097	-	-	-	-	-	-	
<b>Coronavirus Aid, Relief and Economic Security Act (CARES - ESSER I)</b>														
CARES Act	84.425D	S425D200027	7/1/20-6/30/22	55,000	-					-				
<b>Coronavirus Response and Supplemental Appropriation Act (CRRSA - ESSER II)</b>														
American Rescue Plan	84.425D	S425D210027	1/5/21-9/20/23	207,063			110,585	148,527		(37,942)			37,942	
ARP - ESSER	84.425U	S425U210027	1/1/22-12/31/22	414,126	-	-	405,023	405,023	-	-	-	-	-	
Total ESSER Cluster					-	-	515,608	553,550	-	(37,942)	-	-	37,942	
<b>Medicaid Assistance Programs</b>														
Getting Us There (GUTS)	93.778	2005NJ5MAP	7/1/21-6/30/22	2,945	10,738		2,945	5,301			8,382			
Leisure Bridges	93.778	2005NJ5MAP	7/1/21-6/30/22	96,459	79,617		96,459	59,541			116,535			
Adult Rehab Woodridge	93.778	2005NJ5MAP	7/1/21-6/30/22	508,926	168,367		508,926	486,304			190,989			
Adult Rehab Paramus	93.778	2005NJ5MAP	7/1/21-6/30/22	954,906	361,878		954,906	1,136,788			179,996			
Total Medicaid Assistance Programs Cluster					620,600	-	1,563,236	1,687,934	-	-	495,902	-	-	
Total Special Revenue Funds					596,421	-	2,445,298	2,627,723	-	(81,906)	495,902	-	81,906	
Total Federal Financial Assistance					\$ 573,752	\$ -	\$ 3,294,198	\$ 3,486,064	\$ -	\$ (116,211)	\$ 498,097	\$ -	\$ 116,211	

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, 2022**

Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2021	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balance	Balance June 30, 2022			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 On Behalf Pension System Contributions - Post Retirement Medical	22-495-034-5094-003	7/1/21-6/30/22	\$ 2,300,133			\$ 2,194,450	\$ 2,300,133		\$ (105,683)			\$ 105,683	\$ 2,300,133
On Behalf Pension System Contributions - Normal Costs	22-495-034-5094-001	7/1/21-6/30/22	2,632,916			2,632,916	2,632,916						2,632,916
On Behalf Pension System Contributions - Non-Contributory Group Insurance	22-495-034-5094-002	7/1/21-6/30/22	11,112,316			11,112,316	11,112,316						11,112,316
On Behalf Pension System Contributions - Long Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	156,779			156,779	156,779						156,779
	22-495-034-5094-002	7/1/21-6/30/22	3,625	-	-	3,625	3,625	-	-	-	-	-	3,625
<b>Total General/Special Revenue and Internal Service Funds</b>				-	-	16,100,086	16,205,769	-	(105,683)	-	-	105,683	16,205,769
<u>Special Revenue Fund</u>													
New Jersey Dept of Education School Security Grant	22E00156	9/1/21-8/31/22	33,785	-	-	-	31,629	-	(31,629)	-	-	31,629	31,629
<b>Total NJ Dept of Education</b>				-	-	-	31,629	-	(31,629)	-	-	31,629	31,629
<u>Other State Sources</u>													
New Jersey Dept of Developmental Disabilities													
Adult Training	01BS9N	7/1/18-6/30/19	116,030	\$ 37,541				\$ 37,541					
Adult Training	01BS9N	7/1/17-6/30/18	454,494	5,727				5,727					
Adult Training	01BS9N	7/1/19-6/30/20	13,095	(13,095)		13,095							
Adult Autism	01BS9N	7/1/18-6/30/19	8,646	411				411					
After Hours	01BS9N	7/1/17-6/30/18	63,522	47,308				47,308					
COVID19	01BS9N	7/1/20-6/30/21	61,611			61,611	53,396			\$ 8,215			53,396
Teacher Quality Enhancement		7/1/04-9/30/05	2,760	(3)	-	3	-	-	-	-	-	-	-
<b>Total NJ Dept of Developmental Disabilities-Special Revenue</b>				77,889	-	74,709	53,396	90,987	-	8,215	-	-	53,396
<b>Total Special Revenue Fund</b>				77,889	-	74,709	85,025	90,987	(31,629)	8,215	-	31,629	85,025
State Department of Agriculture													
<u>Enterprise Fund</u>													
National School Lunch Program State Share	21-100-010-3350-023	7/1/20-6/30/21	5,286	(1,039)		1,039	-					-	
National School Lunch Program State Share	22-100-010-3350-023	7/1/21-6/30/22	6,610	-		6,097	6,610	-	\$ (513)	-	-	513	6,610
<b>Total Enterprise Fund</b>				(1,039)	-	7,136	6,610	-	(513)	-	-	513	6,610
<b>Total State Financial Assistance Subject to Single Audit Determination</b>				76,850	-	16,181,931	16,297,404	90,987	(137,825)	8,215	-	137,825	16,297,404
State Financial Assistance Not Subject to Single Audit Determination													
<u>General Fund</u>													
On-Behalf TPAF Pension, OPEB & LTDI Contributions				-	-	(13,905,636)	(13,905,636)	-	-	-	-	-	(13,905,636)
<b>Total State Financial Assistance Subject to Major Program Determination</b>				\$ 76,850	\$ -	\$ 2,276,295	\$ 2,391,768	\$ 90,987	\$ (137,825)	\$ 8,215	\$ -	\$ 137,825	\$ 2,391,768

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**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, 2022**

**NOTE 1 GENERAL**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Bergen County Special Services School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying 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 Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

**NOTE 3 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 a decrease of \$21,783 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	\$ 366,583	\$ 8,140,478	\$ 8,507,061
Special Revenue Fund	2,605,940	1,732,551	4,338,491
Internal Service Fund		7,166,528	7,166,528
Food Service Fund	<u>491,758</u>	<u>6,610</u>	<u>498,368</u>
Total Financial Assistance	<u>\$ 3,464,281</u>	<u>\$ 17,046,167</u>	<u>\$ 20,510,448</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, 2022****NOTE 4 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 5 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 \$2,300,133 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, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$11,269,095, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,632,916 and TPAF Long-Term Disability Insurance in the amount of \$3,625 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

**NOTE 6 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 7 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, 2022**

*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>10.553</u>	<u>211NJ304N1099</u>	<u>School Breakfast Program</u>
<u>10.555</u>	<u>211NJ304N1099</u>	<u>National School Lunch Program</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA - ESSER II</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - ESSER</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, 2022**

*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:

<u>GMIS Number</u>	<u>Name of State Program or Cluster</u>
<u>22-495-034-5094-003</u>	<u>Reimbursed Social Security Contributions</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 (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*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, 2022**

*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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Letter 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.