

SOUTHERN REGIONAL SCHOOL DISTRICT

Manahawkin, New Jersey
County of Ocean

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

SOUTHERN REGIONAL SCHOOL DISTRICT

MANAHAWKIN, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by

**Southern Regional School District
School Business Administrator/Board Secretary**

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OUTLINE OF ACFR - GASB #34

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INTRODUCTORY SECTION

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SOUTHERN REGIONAL HIGH SCHOOL DISTRICT OF OCEAN COUNTY

January 17, 2024

Mr. Steven Berkheiser, President
Members of the Board of Education
Southern Regional High School District
Manahawkin, New Jersey 08050

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Southern Regional School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Southern Regional School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, 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 district as of June 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Southern Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular and vocational as well as special education for children with special needs. The School District's enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	2,758	-1.89%
2021-2022	2,811	-0.88%
2020-2021	2,836	-0.67%
2019-2020	2,855	-0.07%
2018-2019	2,857	0.67%
2017-2018	2,838	-1.18%
2016-2017	2,872	-0.17%
2015-2016	2,877	-2.51%
2014-2015	2,951	-1.53%
2013-2014	2,997	0.64%
2012-2013	2,978	-1.06%

ECONOMIC CONDITION AND OUTLOOK

Residential development in Stafford Township is in its last stages; new housing starts are on the decline each year. Residential development in the Island communities has stabilized in recent years with most of the development being larger seasonal residences replacing older existing seasonal residences. It is anticipated that this development in the Island communities will continue for the short term as the housing stock is updated. The area was impacted by Super Storm Sandy and the resulting coastal flooding. The ratable base has fully recovered from this impact as realized by the ratable assessments in each town exceeding the pre-storm totals.

The district has fully recovered from the minor financial impact related to the COVID-19 pandemic. The district believes that it is well positioned financially for the duration of its long term budgetary planning period.

MAJOR INITIATIVES

The Southern Regional School District has long been recognized as an incredibly comprehensive, innovative and challenging school system, which prides itself in its multitude of programs, progressive initiatives and boundless energy. Driven by an extremely qualified and competent faculty, Southern Regional is determined to be a leadership force in education.

Southern Regional offers over 200 courses from which students can select. The courses are designed to appeal to a wide variety of student interests. Twenty-one Advanced Placement courses are offered in English, History, Mathematics, Science, Art, Music and World Languages. Twenty-five dual enrollment courses are offered in conjunction with Stockton University and Ocean County Community College to allow students to earn college credit while still enrolled in high school. Technology-related courses, from the traditional to the highly technical, focus on problem solving, experimental design, and creativity. The Health and Physical Education program are electives, based with a strong emphasis on lifelong wellness and making intelligent lifestyle choices. Project Adventure, an outdoor education program, is also offered. The special needs of our students are addressed as

MAJOR INITIATIVES (continued)

well. We offer self-contained autistic, resource, severe learning and language disabilities, emotional regulation impairment, adaptive success and in-class support programs. ESL (English as a Second Language) programs are offered for eligible students. In addition to the academic programs, Southern Regional offers students over seventy co-curricular and more than forty-five interscholastic programs. Through the Guidance and Student Assistance Programs, Southern Regional provides opportunities and support systems, which counsel and assist students in making choices that will direct them to a more productive and successful experience. Southern Regional High School is a school “Committed to Excellence” in our faculty, staff, students and community. To this end, the District hopes to construct a learning environment in which its students are encouraged to serve, challenged to grow and empowered to succeed.

INTERNAL ACCOUNTING CONTROLS

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

As part of the School District’s single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal 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 School 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 voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

AWARDS

The Southern Regional School District continues to be judged as the lighthouse district in the area by leading the way on many fronts. Southern's SAT scores are amongst the top in Ocean County. For eleven of the past twelve years a Southern graduate has received a prestigious military academy appointment. In several of these eleven years, multiple military appointments have been awarded to Southern graduates. Southern graduates continue to populate the most prestigious colleges and universities in the country. Southern teachers are distinguished professionals who have received awards too numerous to mention. Southern's music program is considered one of the finest in the area. The Marching Band has accomplished State championship status multiple times during the last several years. The middle school's Literacy and Lunch program has become a model for middle schools throughout the area. The State of NJ has identified the Southern Regional School District to be a High Performing School District for every year that the NJ QSAC state monitoring program has been in existence.

ACKNOWLEDGEMENTS

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

Respectfully Submitted,

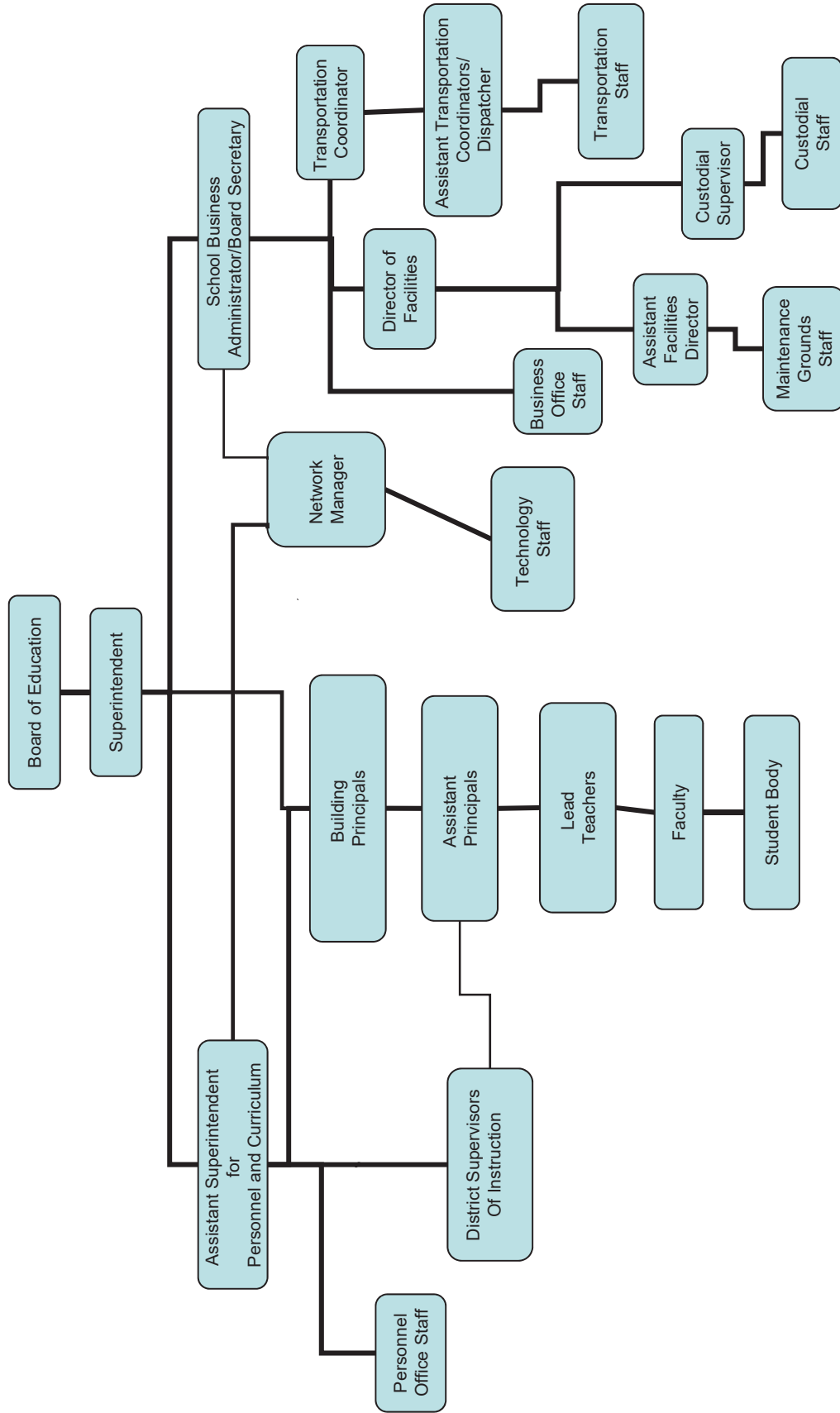
Craig Henry

Mr. Craig Henry
Superintendent

Steven Terhune

Mr. Steven Terhune
School Business Administrator/
Board Secretary

Southern Regional School District Organization Chart



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SOUTHERN REGIONAL SCHOOL DISTRICT
Manahawkin, New Jersey 08050

ROSTER OF OFFICIALS

June 30, 2023

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
--	---------------------

Heather Tatur, President	2023
Steven Berkheiser, Vice President	2025
Terry Deakyne	2026
Kevin Lyons	2026
Bethanne A. Markoski	2026
Paul Sharkey	2024
Scott Waters	2025
Kelly Zuzic	2024
Christopher Taylor	2026
Keith Weidenhof	2025

OTHER OFFICIALS

Craig Henry, Superintendent

Megan Vile, Assistant Superintendent

Steven Terhune, Business Administrator/Board Secretary

Kevin O'Shea, Treasurer of School Monies

Robert Budesa, Board Attorney

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SOUTHERN REGIONAL SCHOOL DISTRICT
Manahawkin, New Jersey 08050

CONSULTANTS AND ADVISORS

AUDIT FIRM

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Holt McNally & Associates, Inc.
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Medford, NJ 08055

ARCHITECTS

Garrison Architects
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Marlton, NJ 08053

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Toms River, NJ 08754

Wilentz, Goldman & Spitzer, PA
90 Woodbridge Center Drive, Suite 900
Woodbridge, NJ 07095

Plosia Cohen LLC
Chester Woods Complex
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Chester, NJ 07930

OFFICIAL DEPOSITORY

Ocean First Bank
975 Hooper Avenue
Toms River, New Jersey 08753

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FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Southern Regional School District
County of Ocean
Manahawkin, New Jersey

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 Southern Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Southern Regional School District, County of Ocean, State of New Jersey, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our 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 provided a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 and *Government Auditing Standards* and in accordance with accounting principles and practices 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024 on our consideration of the 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 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 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 School District’s internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
January 17, 2024

REQUIRED SUPPLEMENTARY INFORMATION - PART I

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SOUTHERN REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

As management of the Southern Regional School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund and Community Education Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into two categories: *governmental funds and proprietary funds*.

SOUTHERN REGIONAL SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains two types of proprietary fund – the Enterprise Fund and Internal Service. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis of the School District as a Whole

Table 1 on the following page provides a summary of the School Districts net position for the fiscal year 2023 compared to fiscal year 2022.

SOUTHERN REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole (continued)

Table 1
Summary of Net Position

	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 33,050,237	\$ 30,749,053	\$ 2,301,184	7.5%
Capital Assets, Net	42,341,834	40,586,191	1,755,643	4.3%
Total Assets	<u>75,392,071</u>	<u>71,335,244</u>	<u>4,056,827</u>	5.7%
Deferred Outflow of Resources	<u>1,944,068</u>	<u>1,361,662</u>	<u>582,406</u>	42.8%
Current and other Liabilities	1,979,214	1,759,865	219,349	12.5%
Noncurrent Liabilities	<u>18,620,243</u>	<u>15,519,784</u>	<u>3,100,459</u>	20.0%
Total Liabilities	<u>20,599,457</u>	<u>17,279,649</u>	<u>3,319,808</u>	19.2%
Deferred Inflow of Resources	<u>2,650,811</u>	<u>7,263,162</u>	<u>(4,612,351)</u>	-63.5%
Net Position:				
Net Investment in Capital Assets	42,341,834	40,586,191	1,755,643	4.3%
Restricted	26,521,442	24,035,617	2,485,825	10.3%
Unrestricted (Deficit)	<u>(14,777,405)</u>	<u>(16,467,713)</u>	<u>1,690,308</u>	-10.3%
Total Net Position	<u>\$ 54,085,871</u>	<u>\$ 48,154,095</u>	<u>\$ 5,931,776</u>	12.3%

Table 2 on the following page shows the changes in net position for fiscal year 2023 compared to fiscal year 2022.

Table 2
Summary of Changes in Net Position

	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 702,073	\$ 156,233	\$ 545,840	349.4%
Operating Grants & Contributions	11,347,199	15,069,972	(3,722,773)	-24.7%
General Revenues:				
Property Taxes	49,296,603	48,371,243	925,360	1.9%
Federal & State Aid	4,534,000	3,955,774	578,226	14.6%
Tuition	6,910,065	7,068,408	(158,343)	-2.2%
Other General Revenues	2,744,873	2,488,491	256,382	10.3%
Special Items:				
(Loss) on Fixed Asset Appraisal	<u>(3,601)</u>	<u>-</u>	<u>(3,601)</u>	-100.0%
Total Revenues	<u>75,531,212</u>	<u>77,110,121</u>	<u>(1,578,909)</u>	-2.0%
Function/Program Expenditures:				
Instruction	46,864,442	47,576,762	(712,320)	-1.5%
Tuition	389,304	495,002	(105,698)	-21.4%
Student & Instruction Related Services	6,835,798	6,724,850	110,948	1.6%
General Administrative Services	948,116	965,893	(17,777)	-1.8%
School Administrative Services	1,745,448	1,707,010	38,438	2.3%
Central Services	691,539	662,485	29,054	4.4%
Other Administrative Services	463,905	416,764	47,141	11.3%
Plant Operations & Maintenance	6,128,541	6,230,641	(102,100)	-1.6%
Pupil Transportation	4,506,885	4,053,860	453,025	11.2%
Interest & Other Charges	38,250	-	38,250	100.0%
Food Service/Community Education	987,208	1,132,019	(144,811)	-12.8%
Total Expenditures	<u>69,599,436</u>	<u>69,965,286</u>	<u>(365,850)</u>	-0.5%
Change In Net Position	5,931,776	7,144,835	(1,213,059)	-17.0%
Net Position - Beginning	48,154,095	41,009,260	7,144,835	17.4%
Net Position - Ending	<u>\$ 54,085,871</u>	<u>\$ 48,154,095</u>	<u>\$ 5,931,776</u>	12.3%

**SOUTHERN REGIONAL SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)**

Governmental Activities

During the fiscal year 2023, the net position of governmental activities increased by \$5,661,036 or 12%. The primary reason for the increase was cost reductions in labor costs due to retirements and staff reductions and operational efficiencies.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$53,358,555, with an unrestricted deficit balance of \$15,277,135. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3
GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (With GASB 68)	\$	(15,277,135)
Plus: PERS Pension Liability		13,566,356
Less: Deferred Outflows Related to Pensions		(1,944,068)
Plus: Deferred Inflows Related to Pensions		<u>2,650,811</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>(1,004,036)</u>

Business-Type Activities

During the fiscal year 2023, the net position of business-type activities increased by \$270,740 or 59%. The primary reason was increases in reimbursement rates as well as additional federal aid.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$727,316.

General Fund Budgeting Highlights

Final budgeted revenues was \$60,470,000, which was unchanged from the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$754,252.

Final budgeted appropriations was \$63,961,136, which was an increase of \$1,129,309 from the original budget. The increase is due to prior year encumbrances. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$4,787,925.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$25,030,517 at June 30, 2023.

SOUTHERN REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$31,813,913, an increase of \$2,095,732 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increased by \$2,969,768 to \$24,687,753 at June 30, 2023, compared to an increase of \$307,759 in fund balance in the prior fiscal year.

Special revenue fund – The special revenue fund balance increased by \$42,064 to \$734,603.

Capital projects fund - During the current fiscal year, the fund balance of the School District's capital projects fund decreased by \$916,100 to \$6,391,531 at June 30, 2023, compared to a decrease of \$708,743 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the capital projects fund is as follows:

- The District continues to implement its capital improvement plans which result in Fund changes depending on the phasing of planned projects.

Debt service fund - There was no change in fund balance for the debt service fund.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by \$268,617 to \$716,951 at June 30, 2023, compared to an increase of \$328,784 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- Additional federal funding for Supply Chain Assistance.

Community education fund - During the current fiscal year, the net position of the School District's community education fund increased by \$2,123 to \$10,365 at June 30, 2023.

Workers' compensation fund - During the current fiscal year, the net position of the School District's workers compensation fund decreased by \$469 to \$0 at June 30, 2023, compared to an increase of \$32 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position is as follows:

- Workers' compensation fund was closed during the current fiscal year.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$42,114,248 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, vehicles and machinery and equipment. There was a net increase in the School District's investment in capital assets for the current fiscal year in the amount of \$1,528,057 This increase is primarily due to ongoing construction projects. Table 4 shows fiscal 2023 balances compared to 2022.

SOUTHERN REGIONAL SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Capital Assets (continued)

Table 4
Summary of Capital Assets

<u>Capital Asset</u>	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 2,525,711	\$ 2,525,711	\$ -	0.0%
Construction in Progress	12,988,484	12,072,484	916,000	7.6%
Building and Improvements	49,184,990	47,767,511	1,417,479	3.0%
Vehicles	7,517,432	7,473,099	44,333	0.6%
Machinery and Equipment	12,645,654	12,264,580	381,074	3.1%
Capital Assets, Gross	84,862,271	82,103,385	2,758,886	3.4%
Accumulated Depreciation	(42,748,023)	(41,517,194)	(1,230,829)	3.0%
Capital Assets, Net	<u>\$ 42,114,248</u>	<u>\$ 40,586,191</u>	<u>\$ 1,528,057</u>	3.8%

Depreciation expense for the year was \$2,211,003. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had no bonded debt outstanding.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Factors on the School District’s Future

Overall, the School District has a strong financial position to address normal course of business fluctuations in its day-to-day financial operations. The School District has also continued its Capital Projects planning and funding process to properly maintain the facilities and grounds entrusted to it by the taxpayers. During the 2017-2018 school year the School District retired the remaining long-term bonds and do not anticipate a need to issuing any new bonded debt for the foreseeable future.

The School District faces an uncertain impact on two areas outside of its control. The first area is the short-term and long-term obligations under the Pension Funds managed by the State of NJ. Any changes in the plans or statutes could have a positive or negative impact on the financial operations of the school district. The second area is State Aid provided to the district by the State of NJ. It is anticipated that the State of NJ will alter the funding levels received by the school district in the near term. Based on the impact realized by the school district in the 2023-2024 school year the district anticipates that these changes will likely have a positive impact on the financial position of the school district.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Steven Terhune, School Business Administrator/Board Secretary at Southern Regional School District, 105 Cedar Bridge Road, Manahawkin, NJ 08050. Please also visit our website at www.srsd.net.

BASIC FINANCIAL STATEMENTS

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A. District-Wide Financial Statements

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SOUTHERN REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS	GOVERNMENTAL BUSINESS-TYPE		TOTAL
	ACTIVITIES	ACTIVITIES	
Cash & Cash Equivalents	\$ 9,792,287	\$ 584,951	\$ 10,377,238
Receivables, Net (Note 4)	4,190,546	16,442	4,206,988
Internal Balances	40,000	(40,000)	-
Inventory	-	11,278	11,278
Restricted Cash & Cash Equivalents	18,454,733	-	18,454,733
Capital Assets, Net (Note 5)			
Non-Depreciable	15,514,195	-	15,514,195
Depreciable	26,600,053	227,586	26,827,639
Total Assets	74,591,814	800,257	75,392,071
DEFERED OUTFLOW OF RESOURCES			
Related to Pensions (Note 8)	1,944,068	-	1,944,068
Total Deferred Outflow of Resources	1,944,068	-	1,944,068
Total Assets and Deferred Outflow of Resources	76,535,882	800,257	77,336,139
LIABILITIES			
Accounts Payable	511,181	56,854	568,035
Due to Other Governments	1,249,507	-	1,249,507
Other Liabilities	91,704	-	91,704
Unearned Revenue	53,881	16,087	69,968
Noncurrent Liabilities (Note 7):			
Due Beyond One Year	18,620,243	-	18,620,243
Total Liabilities	20,526,516	72,941	20,599,457
DEFERED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	2,650,811	-	2,650,811
Total Deferred Inflow of Resources	2,650,811	-	2,650,811
Total Liabilities and Deferred Inflow of Resources	23,177,327	72,941	23,250,268
NET POSITION			
Net Investment in Capital Assets	42,114,248	227,586	42,341,834
Restricted For:			
Capital Projects	17,543,798	-	17,543,798
Debt Service	26	-	26
Excess Surplus	1,269,551	-	1,269,551
Maintenance Reserve	5,178,826	-	5,178,826
Tuition Reserve	1,600,000	-	1,600,000
Unemployment Compensation	194,638	-	194,638
Scholarships	101,629	-	101,629
Student Activities	632,974	-	632,974
Unrestricted	(15,277,135)	499,730	(14,777,405)
Total Net Position	\$ 53,358,555	\$ 727,316	\$ 54,085,871

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 17,435,387	\$ -	\$ -	\$ (17,435,387)	\$ -	\$ (17,435,387)
Special Education	7,294,255	-	3,174,503	(4,119,752)	-	(4,119,752)
Other Instruction	1,997,107	-	-	(1,997,107)	-	(1,997,107)
Support Services:						
Tuition	389,304	-	-	(389,304)	-	(389,304)
Student & Instruction Related Services	6,155,846	-	198,424	(5,957,422)	-	(5,957,422)
Health Services	311,436	-	-	(311,436)	-	(311,436)
Educational Media Services/School Library	368,516	-	-	(368,516)	-	(368,516)
School Administrative Services	1,745,448	-	-	(1,745,448)	-	(1,745,448)
General Administration	948,116	-	-	(948,116)	-	(948,116)
Central Services	691,539	-	-	(691,539)	-	(691,539)
Administrative Information Technology	463,905	-	-	(463,905)	-	(463,905)
Plant Operations & Maintenance	6,128,541	-	-	(6,128,541)	-	(6,128,541)
Pupil Transportation	4,506,885	-	-	(4,506,885)	-	(4,506,885)
Unallocated Benefits	17,960,613	7,720	7,407,076	(10,545,817)	-	(10,545,817)
Interest and Charges on Long-Term Debt	38,250	-	-	(38,250)	-	(38,250)
Unallocated Depreciation	2,177,080	-	-	(2,177,080)	-	(2,177,080)
Total Governmental Activities	68,612,228	7,720	10,780,003	(57,824,505)	-	(57,824,505)

**SOUTHERN REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Business-Type Activities:					
Food Service	984,874	689,896	567,196	-	272,218
Community Education	2,334	4,457	-	-	2,123
Total Business-Type Activities	987,208	694,353	567,196	-	274,341
Total Primary Government	\$ 69,599,436	\$ 702,073	\$ 11,347,199	(57,824,505)	(57,550,164)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes				49,296,603	49,296,603
Federal & State Aid Not Restricted				4,534,000	4,534,000
Tuition Charges				6,910,065	6,910,065
Transportation				719,943	719,943
Investment Earnings				137,348	137,348
Miscellaneous Income				1,887,582	1,887,582
Loss on Capital Assets				-	(3,601)
Total General Revenues, Special Items, Extraordinary Items & Transfers				63,485,541	(3,601)
Change In Net Position				5,661,036	270,740
Net Position - Beginning				47,697,519	48,154,095
Net Position - Ending				\$ 53,358,555	\$ 54,085,871

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

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B. Fund Financial Statements

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Governmental Funds

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**SOUTHERN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
Cash & Cash Equivalents	\$ 5,512,947	\$ 189,206	\$ 4,090,108	\$ 26	\$ 9,792,287
Receivables from Other Governments	1,013,565	691,085	2,301,423	-	4,006,073
Other Accounts Receivable	177,598	6,875	-	-	184,473
Interfund Accounts Receivable	75,003	-	-	-	75,003
Restricted Cash & Cash Equivalents	18,454,733	-	-	-	18,454,733
	<hr/>				
Total Assets	<u>\$ 25,233,846</u>	<u>\$ 887,166</u>	<u>\$ 6,391,531</u>	<u>\$ 26</u>	<u>\$ 32,512,569</u>
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 9,012	\$ 61,092	\$ -	\$ -	\$ 70,104
Intergovernmental Payable:					
State	-	6,887	-	-	6,887
Interfund Accounts Payable	-	35,003	-	-	35,003
Payroll Deductions and Withholdings Payable	303,998	-	-	-	303,998
Unemployment Compensation Claims Payable	137,079	-	-	-	137,079
Unearned Revenue	4,300	49,581	-	-	53,881
Other Liabilities	91,704	-	-	-	91,704
	<hr/>				
Total Liabilities	546,093	152,563	-	-	698,656
Fund Balances:					
Restricted for:					
Maintenance Reserve	5,178,826	-	-	-	5,178,826
Capital Reserve Account	11,481,269	-	-	-	11,481,269
Tuition Reserve	1,600,000	-	-	-	1,600,000
Excess Surplus - Designated					
for Subsequent Year's Expenditures	1,269,551	-	-	-	1,269,551
Unemployment Fund	194,638	-	-	-	194,638
Capital Projects Fund	-	-	6,062,529	-	6,062,529
Debt Service Fund	-	-	-	26	26
Scholarships	-	101,629	-	-	101,629
Student Activities	-	632,974	-	-	632,974
Assigned to:					
Other Purposes	1,268,755	-	329,002	-	1,597,757
Designated for Subsequent Year	2,076,866	-	-	-	2,076,866
Unassigned:					
General Fund	1,617,848	-	-	-	1,617,848
	<hr/>				
Total Fund Balances	24,687,753	734,603	6,391,531	26	31,813,913
	<hr/>				
Total Liabilities & Fund Balances	<u>\$ 25,233,846</u>	<u>\$ 887,166</u>	<u>\$ 6,391,531</u>	<u>\$ 26</u>	

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 \$84,862,271 and the accumulated depreciation is \$42,748,023.

\$ 42,114,248

Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.

Deferred Outflows related to pensions
Deferred Inflows related to pensions

1,944,068
(2,650,811)

Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.

(1,242,620)

Long-term liabilities, including net pension liability and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(18,620,243)

Net position of Governmental Activities

\$ 53,358,555

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

SOUTHERN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 49,296,603	\$ -	\$ -	\$ -	\$ 49,296,603
Tuition	6,910,065	-	-	-	6,910,065
Transportation	719,943	-	-	-	719,943
Interest Earned on Capital Reserve Funds	62,971	-	-	-	62,971
Interest Earned on Maintenance Reserve Funds	74,291	-	-	-	74,291
Miscellaneous	536,831	1,350,751	-	-	1,887,582
Total Local Sources	<u>57,600,704</u>	<u>1,350,751</u>	<u>-</u>	<u>-</u>	<u>58,951,455</u>
State Sources	17,651,809	129,858	-	-	17,781,667
Federal Sources	54,844	3,243,069	-	-	3,297,913
Total Revenues	<u>75,307,357</u>	<u>4,723,678</u>	<u>-</u>	<u>-</u>	<u>80,031,035</u>
Expenditures:					
Current Expense:					
Regular Instruction	17,435,387	-	-	-	17,435,387
Special Education Instruction	6,048,737	1,245,518	-	-	7,294,255
Other Instruction	1,997,107	-	-	-	1,997,107
Support Services:					
Tuition	389,304	-	-	-	389,304
Student & Instruction Related Services	4,648,735	1,507,111	-	-	6,155,846
Health Services	311,436	-	-	-	311,436
Educational Media Services/					
School Library	368,516	-	-	-	368,516
General Administrative	946,129	-	-	-	946,129
School Administrative Services	1,745,448	-	-	-	1,745,448
Central Services	691,539	-	-	-	691,539
Administrative Information Technology	463,905	-	-	-	463,905
Plant Operations & Maintenance	6,052,039	-	-	-	6,052,039
Pupil Transportation	4,506,885	-	-	-	4,506,885
Employee Benefits	12,538,831	-	-	-	12,538,831
On Behalf TPAF Pension and Social					
Security Contributions	13,172,653	-	-	-	13,172,653
Debt Service:					
Interest & Other Charges	38,250	-	-	-	38,250
Capital Outlay	988,976	1,928,985	916,100	-	3,834,061
Total Expenditures	<u>72,345,864</u>	<u>4,681,614</u>	<u>916,100</u>	<u>-</u>	<u>77,943,578</u>
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	<u>2,961,493</u>	<u>42,064</u>	<u>(916,100)</u>	<u>-</u>	<u>2,087,457</u>
Other Financing Sources/(Uses):					
Transfers In	8,275	-	-	-	8,275
Total Other Financing Sources & Uses	<u>8,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,275</u>
Net Change in Fund Balances	2,969,768	42,064	(916,100)	-	2,095,732
Fund Balances July 1,	21,717,985	692,539	7,307,631	26	29,718,181
Fund Balances June 30,	<u>\$ 24,687,753</u>	<u>\$ 734,603</u>	<u>\$ 6,391,531</u>	<u>\$ 26</u>	<u>\$ 31,813,913</u>

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2 & B-5) \$ 2,095,263

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

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

This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	\$ (2,177,080)	
Deletions and Adjustments	(56,482)	
Capital Outlays	<u>3,814,041</u>	1,580,479

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

2,389,479

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

(404,185)

Change in Net Position of Governmental Activities

\$ 5,661,036

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

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Proprietary Funds

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**SOUTHERN REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 FOR FISCAL YEAR ENDED JUNE 30, 2023**

ASSETS	BUSINESS-TYPE ACTIVITIES			TOTAL
	ENTERPRISE FUNDS		GOVERNMENTAL	
	FOOD SERVICE FUND	COMMUNITY EDUCATION	ACTIVITIES- INTERNAL SERVICE FUND	
Current Assets:				
Cash & Cash Equivalents	\$ 574,586	\$ 10,365	\$ -	\$ 584,951
Receivables from Other				
Governments	8,208	-	-	8,208
Other Receivable	8,234	-	-	8,234
Inventories	11,278	-	-	11,278
Total Current Assets	602,306	10,365	-	612,671
Fixed Assets:				
Equipment	620,559	-	-	620,559
Accumulated Depreciation	(392,973)	-	-	(392,973)
Total Fixed Assets	227,586	-	-	227,586
Total Assets	829,892	10,365	-	840,257
LIABILITIES				
Current Liabilities:				
Accounts Payable	56,854	-	-	56,854
Unearned Revenue	16,087	-	-	16,087
Interfund Payable	40,000	-	-	40,000
Total Current Liabilities	112,941	-	-	112,941
Total Liabilities	112,941	-	-	112,941
NET POSITION				
Investment in Capital Assets	227,586	-	-	227,586
Unrestricted	489,365	10,365	-	499,730
Total Net Position	\$ 716,951	\$ 10,365	\$ -	\$ 727,316

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

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

	BUSINESS-TYPE ACTIVITIES			TOTAL
	ENTERPRISE FUND		GOVERNMENTAL	
	FOOD SERVICE FUND	COMMUNITY EDUCATION	ACTIVITIES- INTERNAL SERVICE FUND	
Operating Revenue:				
Daily Sales - Reimbursable Programs	\$ 636,099	\$ -	\$ -	\$ 636,099
Daily Sales - Nonreimbursable Programs	35,093	-	-	35,093
Refunds	-	-	7,720	7,720
Special Functions	9,940	-	-	9,940
Miscellaneous Income	8,764	4,457	-	13,221
Total Operating Revenues	689,896	4,457	7,720	702,073
Operating Expenses:				
Salaries	304,791	2,334	-	307,125
Employee Benefits	60,187	-	-	60,187
Other Purchased Services	89,670	-	-	89,670
Depreciation	33,923	-	-	33,923
Miscellaneous Other Expenses	12,403	-	-	12,403
Cost of Sales - Reimbursable Programs	467,745	-	-	467,745
Cost of Sales - Non-Reimbursable Programs	16,155	-	-	16,155
Total Operating Expenses	984,874	2,334	-	987,208
Operating (Loss)/Gain	(294,978)	2,123	7,720	(285,135)
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	15,526	-	-	15,526
State School Breakfast Program	1,209	-	-	1,209
Federal Sources:				
National School Lunch Program	307,018	-	-	307,018
Food Distribution Program	51,683	-	-	51,683
National Breakfast Program	51,333	-	-	51,333
Supply Chain Assistance Grant	140,427	-	-	140,427
Interest Revenue	-	-	86	86
Loss on Capital Asset	(3,601)	-	-	(3,601)
Total Nonoperating Revenues	563,595	-	86	563,681
Other Financing Sources/(Uses):				
Operating Transfer In/(Out):				
Transfers to General Fund	-	-	(8,275)	(8,275)
Total Other Financing Sources/(Uses)	-	-	(8,275)	(8,275)
Change in Net Position	268,617	2,123	(469)	270,271
Net Position - Beginning of Year	448,334	8,242	469	457,045
Total Net Position - End of Year	\$ 716,951	\$ 10,365	\$ -	\$ 727,316

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES			TOTAL
	ENTERPRISE FUND		GOVERNMENTAL	
	FOOD SERVICE FUND	COMMUNITY EDUCATION	ACTIVITIES- INTERNAL SERVICE FUND	
Cash Flows From Operating Activities:				
Receipts from Customers/Vendors	\$ 686,981	\$ 4,457	\$ 7,720	\$ 699,158
Payments to Employees	(304,791)	(2,334)	(11,213)	(318,338)
Payments for Employee Benefits	(60,187)	-	-	(60,187)
Payments to Suppliers	(530,938)	-	-	(530,938)
Net Cash Provided/(Used) by Operating Activities	(208,935)	2,123	(3,493)	(210,305)
Cash Flows From Noncapital Financing Activities:				
Cash Transferred to General Fund	-	-	(8,275)	(8,275)
Cash Received From State & Federal Reimbursements	614,014	-	-	614,014
Net Cash Provided by Noncapital Financing Activities	614,014	-	(8,275)	605,739
Cash Flows From Investing Activities:				
Interest & Dividends	-	-	86	86
Net Cash Provided by Investing Activities	-	-	86	86
Net Increase/(Decrease) in Cash & Cash Equivalents	192,391	2,123	(11,682)	182,832
Cash & Cash Equivalents, July 1	382,195	8,242	11,682	402,119
Cash & Cash Equivalents, June 30	\$ 574,586	\$ 10,365	\$ -	\$ 584,951

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

Cash Provided/(Used) by Operating Activities:				
Operating Income/(Loss)	\$ (294,978)	\$ 2,123	\$ 7,720	\$ (285,135)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:				
Depreciation Expense	33,923	-	-	33,923
Change in Assets & Liabilities:				
(Increase)/Decrease in Accounts Receivable	(8,234)	-	-	(8,234)
(Increase)/Decrease in Inventory	(1,819)	-	-	(1,819)
Increase/(Decrease) in Unearned Revenue	5,319	-	-	5,319
Increase/(Decrease) in Claims Payable	-	-	(11,213)	(11,213)
Increase/(Decrease) in Accounts Payable	56,854	-	-	56,854
Total Adjustments	86,043	-	(11,213)	74,830
Net Cash Provided/(Used) by Operating Activities	\$ (208,935)	\$ 2,123	\$ (3,493)	\$ (210,305)

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

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SOUTHERN REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Southern Regional School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Southern Regional School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board consists of ten members elected to three-year terms and is responsible for the fiscal control of the District. The terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels seven through twelve at its two schools. The Southern Regional School District has an approximate enrollment at June 30, 2023 of 2,758 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2023.

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements.

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Internal Service Fund - The internal service fund is used to account for the financial transactions related to the worker's compensation program of the School District.

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District's cafeteria operations.

Community Education Fund- The community education fund accounts for the financial transactions related to the community education operations of the School District.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal 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 budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as 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.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

Cash and Cash Equivalents

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2023 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the District is eligible to realize the revenue.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.
- Assigned – This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The adoption of this pronouncement had no material effect on the financial statements.

Recently Issued Accounting Pronouncements

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

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

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net 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 periods and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSIA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the District’s bank balance of \$30,090,606 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 27,370,480
Uninsured and Uncollateralized	<u>2,720,126</u>
	<u>\$ 30,090,606</u>

Investments

The District had no investments at June 30, 2023.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 3. Reserve Accounts

Capital Reserve

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

Funds placed in the capital reserve account are restricted to capital projects in the 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 (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2022	\$	7,857,368
Increased by:		
Interest		62,971
Deposits approved by Board		3,560,930
Ending Balance, June 30, 2023	\$	11,481,269

The LRFP balance of local support costs of uncompleted capital projects at June 30, 2023 is \$21,236,439. The withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District’s Long Rang Facilities Plan.

Tuition Reserve

A tuition reserve account was established on June 5, 2012 for the accumulation of funds for use as tuition expenditures in subsequent fiscal years. The tuition reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There is a balance of \$1,600,000 at June 30, 2022. Of this balance, \$800,000 is the 2022-2023 reserve amount and \$800,000 is the 2023-2024 reserve amount.

Beginning Balance, July 1, 2022	\$	1,600,000
Increased by:		
Deposits approved by Board		800,000
		2,400,000.00
Decreased by:		
Budget Withdrawals		(800,000)
Ending Balance, June 30, 2023	\$	1,600,000

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 3. Reserve Accounts (continued)

Maintenance Reserve

The School District established a maintenance reserve account on June 5, 2012 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years. Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District’s approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account 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. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

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

Beginning Balance, July 1, 2022		\$	5,887,920
Increased by:			
Interest Earnings			74,291
			5,962,211
Decreased by:			
Budget Withdrawals			(783,385)
Ending Balance, June 30, 2023		\$	5,178,826

Note 4. Accounts Receivable

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

<u>Description</u>	Governmental Funds			Total Governmental Activities	Proprietary Funds		Total Business-Type Activities
	General Fund	Special Revenue Fund	Capital Projects Fund		Food Service Fund		
Federal Awards	\$ -	\$ 691,085	\$ -	\$ 691,085	\$ 7,856	\$ 7,856	
State Awards	1,013,565	-	2,301,423	3,314,988	352	352	
Other	177,598	6,875	-	184,473	8,234	8,234	
Total	\$ 1,191,163	\$ 697,960	\$ 2,301,423	\$ 4,190,546	\$ 16,442	\$ 16,442	

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 5. Capital Assets

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

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,525,711	\$ -	\$ -	\$ 2,525,711
Construction in Progress	12,072,484	916,000	-	12,988,484
Total Capital Assets not being depreciated	<u>14,598,195</u>	<u>916,000</u>	<u>-</u>	<u>15,514,195</u>
Capital Assets being depreciated:				
Building Improvements	47,767,511	1,578,137	(160,658)	49,184,990
Vehicles	7,473,099	439,303	(394,970)	7,517,432
Equipment	11,784,695	880,601	(19,642)	12,645,654
Total Capital Assets being depreciated	<u>67,025,305</u>	<u>2,898,041</u>	<u>(575,270)</u>	<u>69,348,076</u>
Less: Accumulated Depreciation:	<u>(41,089,731)</u>	<u>(2,177,080)</u>	<u>518,788</u>	<u>(42,748,023)</u>
Total Accumulated Depreciation	<u>(41,089,731)</u>	<u>(2,177,080)</u>	<u>518,788</u>	<u>(42,748,023)</u>
Total Capital Assets being depreciated, net	<u>25,935,574</u>	<u>720,961</u>	<u>(56,482)</u>	<u>26,600,053</u>
Total Governmental Activities Capital Assets, net	<u>\$ 40,533,769</u>	<u>\$ 1,636,961</u>	<u>\$ (56,482)</u>	<u>\$ 42,114,248</u>
	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2023</u>
Business-Type Activities:				
Equipment	\$ 479,885	\$ 212,687	\$ (72,014)	\$ 620,558
	<u>479,885</u>	<u>212,687</u>	<u>-</u>	<u>620,558</u>
Less: Accumulated Depreciation:				
Equipment	<u>(427,463)</u>	<u>(33,923)</u>	<u>68,414</u>	<u>(392,972)</u>
	<u>(427,463)</u>	<u>(33,923)</u>	<u>-</u>	<u>(392,972)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 52,422</u>	<u>\$ 178,764</u>	<u>\$ -</u>	<u>\$ 227,586</u>

Depreciation expense was not allocated among the various functions/programs of the District.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 75,003	\$ -
Special Revenue Fund	-	35,003
Food Service Fund	-	40,000
	<u>\$ 75,003</u>	<u>\$ 75,003</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 8,275	\$ -
Internal Service Fund	-	8,275
	<u>\$ 8,275</u>	<u>\$ 8,275</u>

The purpose of the interfund transfers were to close the internal service fund.

Note 7. Long-Term Obligations

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

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 4,649,702	\$ 404,185	\$ -	\$ 5,053,887	\$ -
Net Pension Liability	10,870,082	2,696,274	-	13,566,356	-
	<u>\$ 15,519,784</u>	<u>\$ 3,100,459</u>	<u>\$ -</u>	<u>\$ 18,620,243</u>	<u>\$ -</u>

For governmental activities, compensated absences and net pension liability are liquidated by the general fund.

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's annual financial statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

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.

The following represents the membership tiers for PERS:

<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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. 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. Funding for the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$13,566,356 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees’ Retirement System (PERS) (continued)

The School District’s proportion of the net pension liability was based on the School District’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2022. The School District’s proportion measured as of June 30, 2022, was 0.08989%, which was a decrease of 0.001863% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense/(benefit) of \$(1,246,354) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 97,916	\$ 86,348
Changes of Assumptions	42,033	2,031,421
Net Difference between Projected and Actual Earnings on Pension Plan Investments	561,499	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	-	533,042
School District Contributions Subsequent to Measurement Date	1,242,620	-
	\$ 1,944,068	\$ 2,650,811

\$1,242,620 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2023	\$ (1,601,679)
2024	(816,001)
2025	(397,948)
2026	868,172
2027	<u>(1,907)</u>
	<u>\$ (1,949,363)</u>

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

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

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees’ Retirement System (PERS) (continued)

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

Inflation		
Price		2.75%
Wage		3.25%
Salary Increases:		
Through 2027	2.85 - 6.55%	Based on Years of Service
Thereafter	2.75 - 6.55%	Based on Years of Service
Investment Rate of Return		7.00%
Mortality Rate Table		
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021	
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based		July 1, 2018 - June 30, 2021

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees’ Retirement System (PERS) (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

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

Sensitivity of the School District’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District’s proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate of 7.00% as well as what the School District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the Net Pension Liability	\$ 17,576,397	\$ 13,566,356	\$ 10,366,321

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees’ Retirement System (PERS) (continued)

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
District's portion of the Plan's total Net Pension Liability	0.089895%	0.091758%

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities’ total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities’ total proportionate share of the collective pension expense associated with the local participating employer.

The State’s proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of June 30, 2023. The State’s proportionate share of the contribution associated with the special funding situation was \$28,544 as of June 30, 2023. These are based on measurements as of June 30, 2022.

B. Teachers’ Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. 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 represents 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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. 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 fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$108,556,222. The School District's proportionate share was \$-0-.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.210403%, which was an increase of 0.002432% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the School District recognized \$2,921,551 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

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

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-5.65% based on years of service
Investment Rate of Return	7.00%

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

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. 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 (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in 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>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

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

Sensitivity of the School District’s proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District’s annual required contribution. The following represents the State’s proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State’s proportionate share of the net pension liability, attributable to the School District’s would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>127,284,477</u>	<u>108,556,222</u>	<u>92,780,020</u>
	<u>\$ 127,284,477</u>	<u>\$ 108,556,222</u>	<u>\$ 92,780,020</u>

Pension Plan Fiduciary Net Position - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
District's portion of the Plan's total Net Pension Liability	0.21040%	0.20797%

SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

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

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability: \$ 50,646,462,966

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

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

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

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$129,822,313. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.25633%, which was an increase of 0.000019% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$2,675,563 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

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

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 152,592,473	\$ 129,822,313	\$ 111,573,168
State of New Jersey's Total Non- employer Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 107,306,077	\$ 129,822,313	\$ 159,398,757
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

* See Healthcare Cost Trend Assumptions for details of rates.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ -	\$ -
Differences between Expected & Actual Experience	9,042,402,619	(15,462,950,679)
Change in Assumptions	8,765,620,577	(17,237,289,230)
Contributions Made in Fiscal Year		
Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	\$ 17,808,023,196	\$ (32,700,239,909)

** Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,		
2023	\$	(2,517,151,602)
2024		(2,517,151,602)
2025		(2,517,151,602)
2026		(2,175,449,761)
2027		(1,243,951,140)
Thereafter		(3,921,361,006)
	\$	(14,892,216,713)

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

	June 30, 2021
Active Plan Members	213,148
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	151,669
	364,817

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Total OPEB Liability

Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Difference Between Expected & Actual Experience	1,399,200,736
Change in Benefit Tiers	-
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	<u>(1,329,476,059)</u>
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	<u>60,007,650,970</u>
Total OPEB Liability (Ending)	<u>\$ 50,646,462,966</u>
Total Covered Employee Payroll	\$ 14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for normal costs, post-retirement medical costs, and non-contributory insurance were \$8,998,743, \$2,363,948 and \$2,346, respectively.

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – 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 School District contributions, reimbursements to the State for benefits paid and the ending balance of the District's trust fund for the current and previous two years:

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Risk Management (continued)

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 32,962	\$ 3,504	\$ 768	\$ 194,638
2021-2022	-	1,946	1,118	158,940
2020-2021	74,324	-	74,003	158,112

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Joint Insurance Pool – The District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property – Blanket Building & Grounds Environmental Impairment Liability School Board Legal Liability Employers Liability	General & Automobile Liability Workers’ Compensation Excess Liability Comprehensive Crime Coverage
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Note 12. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Economic Dependency – The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District’s programs and activities.

Note 13. Deferred Compensation

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

Lincoln Investment Planning MetLife	Primerica Vanguard	AXA Equitable
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SOUTHERN REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2023 (continued)

Note 14. Compensated Absences

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

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2023, the liability for compensated absences reported was \$5,053,887.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the District is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the District's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the District.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$0.

SOUTHERN REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 17. Fund Balances

General Fund – Of the \$24,687,753 General Fund balance at June 30, 2023, \$11,481,269 has been restricted for the Capital Reserve Account; \$5,178,826 has been restricted for the Maintenance Reserve Account; \$1,600,000 has been restricted for the Tuition Reserve Account; \$194,638 has been restricted for the Unemployment Reserve Account; \$1,269,511 has been restricted for subsequent year’s expenditures; \$2,076,866 is assigned to designated for subsequent year’s expenditures; \$1,268,755 has been assigned to other purposes and \$1,617,848 has been unassigned.

Special Revenue Fund – Of the \$734,603 Special Revenue Fund balance at June 30, 2023, \$632,974 is restricted for future student activities and \$101,629 is restricted for future scholarships.

Capital Projects Fund – Of the \$6,391,531 Capital Projects Fund balance at June 30, 2023, \$6,062,529 is restricted for capital projects and \$329,002 is assigned to other purposes.

Debt Service Fund – Of the \$26 Debt Service Fund balance at June 30, 2023, \$26 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The District’s governmental activities had a deficit in unrestricted net position in the amount of \$(15,277,135). The primary causes of the deficit are the District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees’ Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

Note 19. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and January 17, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**SOUTHERN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBERS	JUNE 30, 2023				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Tax Levy	10-1210	\$ 49,296,605	\$ -	\$ 49,296,605	\$ 49,296,603	\$ (2)
Tuition from Individuals	10-1310	-	-	-	103,161	103,161
Tuition from Other LEA's Within the State	10-1320	6,806,904	-	6,806,904	6,806,904	-
Transportation	10-1420	700,000	-	700,000	719,943	19,943
Interest on Capital Reserve Funds	10-1511	1,000	-	1,000	62,971	61,971
Interest on Maintenance Reserve Funds	10-1512	1,000	-	1,000	74,291	73,291
Miscellaneous Revenues	10-1990	80,000	-	80,000	536,831	456,831
Total Local Sources		56,885,509	-	56,885,509	57,600,704	715,195
State Sources:						
Categorical Security Aid	10-3177	256,062	-	256,062	256,062	-
Categorical Transportation Aid	10-3121	887,743	-	887,743	887,743	-
Categorical Special Education Aid	10-3132	2,424,900	-	2,424,900	2,424,900	-
Extraordinary Aid	10-3131	-	-	-	770,419	770,419
Non-Public Transportation Aid	10-3190	-	-	-	6,894	6,894
Securing Our Children's Future Bond Act	10-3256	-	-	-	178,855	178,855
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	8,998,743	8,998,743
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	2,363,948	2,363,948
On-Behalf TPAF Long Term Disability Insurance Contributions		-	-	-	2,346	2,346
Reimbursed TPAF Social Security Contribution		-	-	-	1,807,616	1,807,616
Total State Sources		3,568,705	-	3,568,705	17,697,526	14,128,821
Federal Sources:						
Medicaid Reimbursement	10-4200	15,787	-	15,787	39,728	23,941
FFCRA/SEMI	10-4210	-	-	-	15,116	15,116
Total Federal Sources		15,787	-	15,787	54,844	39,057
Total Revenues		60,470,001	-	60,470,001	75,353,074	14,883,073
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Grades 6 - 8	11-130-100-101	5,414,228	(37,206)	5,377,022	5,271,307	105,715
Grades 9 - 12	11-140-100-101	10,929,188	(93,530)	10,835,658	10,719,576	116,082
Home Instruction:						
Salaries of Teachers	11-150-100-101	165,000	125,793	290,793	277,577	13,216
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	69,659	-	69,659	69,659	-
Purchased Professional/Education Services	11-190-100-320	-	268	268	268	-
Purchased Technical Services	11-190-100-340	116,475	(268)	116,207	113,639	2,568
Other Purchased Services	11-190-100-500	140,700	(51,128)	89,572	74,760	14,812
General Supplies	11-190-100-610	1,123,725	(148,979)	974,746	824,729	150,017
Textbooks	11-190-100-640	184,575	12,301	196,876	45,812	151,064
Miscellaneous Expenditures	11-190-100-890	52,630	(1,314)	51,316	38,060	13,256
Total Regular Programs		18,196,180	(194,063)	18,002,117	17,435,387	566,730
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	365,686	-	365,686	365,049	637
Other Salaries for Instruction	11-204-100-106	39,032	-	39,032	39,032	-
General Supplies	11-204-100-610	9,000	-	9,000	5,202	3,798
Textbooks	11-204-100-640	1,900	-	1,900	154	1,746
Other Objects	11-204-100-800	6,850	2,651	9,501	5,618	3,883
Total Learning and/or Language Disabilities		422,468	2,651	425,119	415,055	10,064

**SOUTHERN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBERS	JUNE 30, 2023				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Behavior Disabilities:						
Salaries of Teachers	11-209-100-101	320,446	-	320,446	320,446	-
Other Salaries for Instruction	11-209-100-106	170,997	-	170,997	169,173	1,824
Other Purchased Services	11-209-100-500	200	-	200	-	200
General Supplies	11-209-100-610	10,000	-	10,000	8,903	1,097
Textbooks	11-209-100-640	500	-	500	-	500
Other Objects	11-209-100-800	1,000	-	1,000	-	1,000
Total Behavioral Disabilities		503,143	-	503,143	498,522	4,621
Resource Room:						
Salaries of Teachers	11-213-100-101	4,135,241	-	4,135,241	4,009,982	125,259
Other Salaries for Instruction	11-213-100-106	252,564	-	252,564	199,743	52,821
General Supplies	11-213-100-610	6,000	679	6,679	4,574	2,105
Textbooks	11-213-100-640	7,500	-	7,500	522	6,978
Total Resource Room		4,401,305	679	4,401,984	4,214,821	187,163
Special Education Instruction:						
Salaries of Teachers	11-214-100-101	242,710	2,500	245,210	245,206	4
Other Salaries for Instruction	11-214-100-106	747,716	(27,500)	720,216	554,608	165,608
Purchased Professional/Education Services	11-214-100-320	89,000	25,000	114,000	111,610	2,390
Other Purchased Services	11-214-100-500	2,000	-	2,000	190	1,810
General Supplies	11-214-100-610	13,500	249	13,749	8,725	5,024
Total Special Education Instruction		1,094,926	249	1,095,175	920,339	174,836
Total Special Education		6,421,842	3,579	6,425,421	6,048,737	376,684
Basic Skills/Remedial Instruction:						
Other Salaries for Instruction	11-230-100-106	18,000	-	18,000	15,808	2,192
General Supplies	11-230-100-610	2,200	-	2,200	-	2,200
Textbooks	11-230-100-640	2,930	-	2,930	-	2,930
Total Basic Skills/Remedial Instruction		23,130	-	23,130	15,808	7,322
Bilingual Education - Instruction:						
General Supplies	11-240-100-610	1,000	-	1,000	112	888
Textbooks	11-240-100-640	1,000	-	1,000	230	770
Total Bilingual Education - Instruction:		2,000	-	2,000	342	1,658
School Sponsored Co-Curricular Activities:						
Salaries	11-401-100-100	403,588	(10,014)	393,574	342,122	51,452
Other Objects	11-401-100-800	39,730	(442)	39,288	36,349	2,939
Total School Sponsored Co-Curricular Activities		443,318	(10,456)	432,862	378,471	54,391
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	1,131,280	28,749	1,160,029	1,156,401	3,628
Other Purchased Services	11-402-100-500	6,000	(1,000)	5,000	807	4,193
Travel	11-402-100-580	-	1,000	1,000	965	35
Supplies and Materials	11-402-100-600	145,680	10,617	156,297	147,122	9,175
Other Objects	11-402-100-800	256,500	43,576	300,076	297,191	2,885
Total School Sponsored Athletics Instruction		1,539,460	82,942	1,622,402	1,602,486	19,916
Total Other Instructional Programs		2,007,908	72,486	2,080,394	1,997,107	83,287
Total Instruction		26,625,930	(117,998)	26,507,932	25,481,231	1,026,701
Undistributed Expenditures:						
Instruction :						
Tuition to Other LEAs Within the State - Special	11-000-100-562	25,000	13,770	38,770	22,852	15,918
Tuition to County Vocational District/Regular Day School	11-000-100-563	104,000	35,000	139,000	121,120	17,880
Tuition to County Special Services District/Regional Day Schools	11-000-100-565	110,930	(82,296)	28,634	-	28,634
Tuition to Private School for the Disabled - State	11-000-100-566	782,403	(118,200)	664,203	165,502	498,701
Tuition to State Facilities	11-000-100-568	40,270	-	40,270	40,270	-
Tuition - Other	11-000-100-569	30,000	28,500	58,500	39,560	18,940
Total Undistributed Expenditures - Instruction		1,092,603	(123,226)	969,377	389,304	580,073

**SOUTHERN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBERS	JUNE 30, 2023				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Attendance & Social Work Services:						
Salaries	11-000-211-100	129,650	(12,841)	116,809	115,598	1,211
Supplies and Materials	11-000-211-600	1,000	-	1,000	699	301
Total Attendance & Social Work Services		130,650	(12,841)	117,809	116,297	1,512
Health Services:						
Salaries	11-000-213-100	279,526	2,931	282,457	270,486	11,971
Purchased Professional & Technical Services	11-000-213-300	31,000	5,000	36,000	30,500	5,500
Other Purchased Services	11-000-213-500	900	-	900	-	900
Supplies and Materials	11-000-213-600	11,000	27	11,027	10,450	577
Total Health Services		322,426	7,958	330,384	311,436	18,948
Other Support Services - Students - Related Services:						
Salaries of Teachers	11-000-216-100	410,983	9,910	420,893	420,893	-
Purchased Professional/Education Services	11-000-216-320	-	14,050	14,050	14,050	-
Supplies and Materials	11-000-216-600	1,500	-	1,500	1,382	118
Total Other Support Services - Students - Related Services		412,483	23,960	436,443	436,325	118
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	1,082,199	-	1,082,199	947,592	134,607
Total Other Support Services - Students - Extra Services		1,082,199	-	1,082,199	947,592	134,607
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	1,160,795	298	1,161,093	1,129,907	31,186
Salaries of Secretarial & Clerical Assistants	11-000-218-105	170,506	(298)	170,208	153,693	16,515
Other Salaries	11-000-218-110	40,000	-	40,000	32,110	7,890
Other Purchased Services	11-000-218-500	700	-	700	145	555
Supplies and Materials	11-000-218-600	12,500	2,240	14,740	13,890	850
Other Objects	11-000-218-800	7,000	-	7,000	6,495	505
Total Other Support Services - Students - Regular		1,391,501	2,240	1,393,741	1,336,240	57,501
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,111,554	(2,240)	1,109,314	1,072,923	36,391
Salaries of Secretarial & Clerical Assistants	11-000-219-105	161,425	-	161,425	146,681	14,744
Other Salaries	11-000-219-110	30,000	-	30,000	26,060	3,940
Purchased Professional/Education Services	11-000-219-320	38,776	74	38,850	25,100	13,750
Other Purchased Services	11-000-219-500	1,000	-	1,000	495	505
Supplies and Materials	11-000-219-600	4,581	149	4,730	4,373	357
Other Objects	11-000-219-800	3,943	-	3,943	2,016	1,927
Total Other Support Services - Students - Special Services		1,351,279	(2,017)	1,349,262	1,277,648	71,614
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	384,359	(9,046)	375,313	374,980	333
Salaries of Secretarial & Clerical Assistants	11-000-221-105	164,528	-	164,528	159,653	4,875
Total Improvement of Instruction Services/Other Support Services - Instructional Staff		548,887	(9,046)	539,841	534,633	5,208
Educational Media Services/School Library:						
Salaries	11-000-222-100	320,992	13,600	334,592	334,592	-
Other Purchased Services	11-000-222-500	150	-	150	-	150
Supplies and Materials	11-000-222-600	42,275	7,571	49,846	32,867	16,979
Other Objects	11-000-222-800	1,500	-	1,500	1,057	443
Total Educational Media Services/School Library		364,917	21,171	386,088	368,516	17,572
Support Services Instructional Staff Training Service:						
Salaries of Other Professional	11-000-223-104	-	1,987	1,987	1,987	-
Total Support Services Instructional Staff Training Services		-	1,987	1,987	1,987	-
Support Services General Administration:						
Salaries	11-000-230-100	575,765	9,046	584,811	576,567	8,244
Legal Services	11-000-230-331	40,000	1,000	41,000	40,660	340
Audit Services	11-000-230-332	40,000	(1,000)	39,000	35,500	3,500
Other Purchased Professional Services	11-000-230-339	30,000	-	30,000	16,874	13,126
Communications/Telephone	11-000-230-530	130,000	127	130,127	122,161	7,966
Other Purchased Services	11-000-230-590	178,800	(1,987)	176,813	113,580	63,233
Supplies & Materials	11-000-230-610	10,500	-	10,500	892	9,608
Miscellaneous Expenditures	11-000-230-890	21,250	326	21,576	16,104	5,472
BOE Membership Dues & Fees	11-000-230-895	25,000	-	25,000	23,791	1,209
Total Support Services General Administration		1,051,315	7,512	1,058,827	946,129	112,698

**SOUTHERN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBERS	JUNE 30, 2023				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,147,857	(1)	1,147,856	1,134,045	13,811
Salaries of Secretarial & Clerical Assistants	11-000-240-105	559,140	29,287	588,427	533,563	54,864
Other Purchased Services	11-000-240-500	154,920	(5,387)	149,533	-	149,533
Travel	11-000-240-580	-	200	200	60	140
Supplies and Materials	11-000-240-600	44,100	631	44,731	25,104	19,627
Other Objects	11-000-240-800	96,000	3,965	99,965	52,676	47,289
Total Support Services School Administration		2,002,017	28,695	2,030,712	1,745,448	285,264
Central Services:						
Salaries	11-000-251-100	625,422	(1,032)	624,390	612,879	11,511
Purchased Professional Services	11-000-251-330	30,000	(6,448)	23,552	17,824	5,728
Purchased Technical Services	11-000-251-340	45,000	(2,506)	42,494	34,131	8,363
Other Purchased Services	11-000-251-592	25,000	(4,179)	20,821	10,580	10,241
Supplies & Materials	11-000-251-600	9,000	3,564	12,564	5,234	7,330
Other Objects	11-000-251-890	5,500	5,391	10,891	10,891	-
Total Central Services		739,922	(5,210)	734,712	691,539	43,173
Administrative Information Technology:						
Salaries	11-000-252-100	363,402	3,438	366,840	366,840	-
Purchased Technical Services	11-000-252-340	75,800	-	75,800	71,344	4,456
Other Purchased Services	11-000-252-500	1,000	(582)	418	-	418
Supplies & Materials	11-000-252-600	30,000	5,724	35,724	25,721	10,003
Total Administrative Information Technology		470,202	8,580	478,782	463,905	14,877
Allowance Maintenance for School Facilities:						
Salaries	11-000-261-100	896,018	(60,244)	835,774	786,620	49,154
Cleaning, Repair & Maintenance Services	11-000-261-420	931,000	81,065	1,012,065	774,129	237,936
General Supplies	11-000-261-610	362,296	51,247	413,543	343,748	69,795
Total Allowance Maintenance for School Facilities		2,189,314	72,068	2,261,382	1,904,497	356,885
Other Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	1,097,140	(32,073)	1,065,067	1,018,527	46,540
Salaries of Non-Instructional Aides	11-000-262-107	60,000	-	60,000	56,777	3,223
Cleaning, Repair & Maintenance Services	11-000-262-420	99,160	1,684	100,844	71,229	29,615
Other Purchased Property Services	11-000-262-490	210,000	-	210,000	140,372	69,628
Insurance	11-000-262-520	330,000	-	330,000	330,000	-
General Supplies	11-000-262-610	257,186	33,237	290,423	214,586	75,837
Energy (Natural Gas)	11-000-262-621	350,000	-	350,000	276,634	73,366
Energy (Electricity)	11-000-262-622	1,000,000	-	1,000,000	899,708	100,292
Other Objects	11-000-262-800	19,000	(6,639)	12,361	7,738	4,623
Total Other Operation & Maintenance of Plant Services		3,422,486	(3,791)	3,418,695	3,015,571	403,124
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	242,803	63,138	305,941	301,949	3,992
Cleaning, Repair & Maintenance Services	11-000-263-420	191,000	2,794	193,794	119,634	74,160
General Supplies	11-000-263-610	205,980	1,245	207,225	195,625	11,600
Total Care & Upkeep of Grounds		639,783	67,177	706,960	617,208	89,752
Security:						
Salaries	11-000-266-100	321,563	(11,458)	310,105	303,650	6,455
Purchased Professional & Technical Services	11-000-266-300	175,000	36,113	211,113	211,113	-
Total Security		496,563	24,655	521,218	514,763	6,455
Total Operation & Maintenance of Plant Services		6,748,146	160,109	6,908,255	6,052,039	856,216

**SOUTHERN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBERS	JUNE 30, 2023				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Student Transportation Services:						
Salaries of Non-Instructional Aides	11-000-270-107	167,186	-	167,186	164,123	3,063
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	2,081,643	(99,201)	1,982,442	1,936,587	45,855
Salaries for Pupil Transportation (Between Home & School) - Non Public	11-000-270-163	350,000	67,748	417,748	417,748	-
Cleaning, Repair & Maintenance Services	11-000-270-420	300,000	(46,431)	253,569	236,331	17,238
Aid in Lieu of Payments - Nonpublic	11-000-270-503	50,000	22,550	72,550	34,225	38,325
Contracted Services						
Between Home & School - Vendors	11-000-270-511	400,000	538,804	938,804	898,215	40,589
Miscellaneous Purchased Services - Transportation	11-000-270-593	110,000	-	110,000	110,000	-
Supplies and Materials	11-000-270-610	790,000	(98,824)	691,176	675,200	15,976
Other Objects	11-000-270-800	45,000	318	45,318	34,456	10,862
						-
Total Student Transportation Services		4,293,829	384,964	4,678,793	4,506,885	171,908
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	890,000	85,183	975,183	953,556	21,627
Other Retirement Benefits - PERS	11-000-291-241	1,250,000	(85,183)	1,164,817	1,142,629	22,188
Other Retirement Benefits - Regular	11-000-291-249	70,000	-	70,000	59,729	10,271
Worker's Compensation	11-000-291-260	650,000	(23,362)	626,638	552,665	73,973
Health Benefits	11-000-291-270	9,658,400	37,084	9,695,484	9,489,066	206,418
Tuition Reimbursement	11-000-291-280	130,000	-	130,000	85,029	44,971
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	299,645	-	299,645	256,157	43,488
Total Unallocated Benefits - Employee Benefits		12,948,045	13,722	12,961,767	12,538,831	422,936
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	8,998,743	(8,998,743)
On-Behalf TPAF Post-Retirement Medical Contribution		-	-	-	2,363,948	(2,363,948)
On-Behalf TPAF Long Term Disability Insurance Contribution		-	-	-	2,346	(2,346)
Reimbursed TPAF Social Security Contribution		-	-	-	1,807,616	(1,807,616)
Total Nonbudgeted		-	-	-	13,172,653	(13,172,653)
Total Undistributed Expenditures		34,950,421	508,558	35,458,979	45,837,407	(10,378,428)
Total Expenditures - Current Expense		61,576,351	390,560	61,966,911	71,318,638	(9,351,727)
Capital Outlay:						
Increase in Capital Reserve	10-604	1,000	(1,000)	-	-	-
Increase in Maintenance Reserve	10-606	1,000	(1,000)	-	-	-
Equipment:						
Regular Programs - Instruction:						
Grades 6 - 8	12-130-100-730	207,439	67,834	275,273	226,464	48,809
School Sponsored & Other Instructional Programs	12-402-100-730	30,000	(9,570)	20,430	13,828	6,602
Undistributed Expenditures:						
Support Services- Child Study Team	12-000-219-730	2,200	-	2,200	-	2,200
School Administration	12-000-240-730	10,000	41,487	51,487	-	51,487
Custodial Services	12-000-262-730	208,642	215,182	423,824	301,005	122,819
Care and Upkeep of Grounds	12-000-263-730	51,945	-	51,945	8,376	43,569
Student Transportation:						
School Buses - Regular	12-000-270-733	705,000	425,816	1,130,816	439,303	691,513
Total Equipment		1,215,226	740,749	1,955,975	988,976	966,999

**SOUTHERN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ACCOUNT NUMBERS	JUNE 30, 2023				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Facilities Acquisition & Construction Services: Assessment for Debt Service on SDA Funding	12-000-400-896	38,250	-	38,250	38,250	-
Total Facilities Acquisition & Construction Services		38,250	-	38,250	38,250	-
Total Capital Outlay		1,255,476	738,749	1,994,225	1,027,226	966,999
Total Expenditures		62,831,827	1,129,309	63,961,136	72,345,864	(8,384,728)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(2,361,826)	(1,129,309)	(3,491,135)	3,007,210	6,498,345
Other Financing Sources/(Uses): Transfer from Internal Service Funds		-	-	-	8,275	8,275
Total Other Financing Sources/(Uses)		-	-	-	8,275	8,275
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses)		(2,361,826)	(1,129,309)	(3,491,135)	3,015,485	6,506,620
Fund Balances, July 1		22,015,032	-	22,015,032	22,015,032	-
Fund Balances, June 30		\$ 19,653,206	\$ (1,129,309)	\$ 18,523,897	\$ 25,030,517	\$ 6,506,620

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Encumbrances	<u>\$ 1,129,309</u>
Total	<u>\$ 1,129,309</u>

RECAPITULATION OF FUND BALANCE:

Restricted for:	
Capital Reserve	\$ 11,481,269
Maintenance Reserve	5,178,826
Tuition Reserve	1,600,000
Excess Surplus Designated for Subsequent Year's Expenditures	1,269,551
Unemployment Compensation	194,638
Assigned to:	
Year-End Encumbrances	1,268,755
Designated for Subsequent Year's Expenditures	2,076,866
Unassigned Fund Balance	<u>1,960,612</u>
Subtotal	25,030,517
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(342,764)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 24,687,753</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Federal Sources	\$ 930,779	\$ 2,887,907	\$ 3,818,686	\$ 1,415,927	\$ (2,402,759)
State Sources	27,675	102,183	129,858	129,858	-
Local Sources	1,115,000	-	1,115,000	1,350,751	235,751
Total Revenues	2,073,454	2,990,090	5,063,544	2,896,536	(2,167,008)
Expenditures:					
Instruction:					
Salaries of Teachers	349,964	40,842	390,806	378,829	11,977
Purchased Professional Technical Services	-	31,700	31,700	26,664	5,036
Other Professional Services	550,991	72,860	623,851	605,448	18,403
General Supplies	1	239,772	239,773	230,773	9,000
Textbooks	-	1,716	1,716	1,704	12
Other Objects	2,100	-	2,100	2,100	-
Total Instruction	903,056	386,890	1,289,946	1,245,518	44,428
Support Services:					
Salaries	25,081	1,975,293	2,000,374	92,870	1,907,504
Personal Services - Employee Benefits	21,985	164,340	186,325	75,873	110,452
Purchased Professional Services	-	25,315	25,315	20,872	4,443
Other Purchased Services	7,832	-	7,832	7,832	-
Supplies and Materials	-	145,834	145,834	477	145,357
Other Objects	500	-	500	500	-
Scholarships	115,000	-	115,000	242,285	(127,285)
Student Activities	1,000,000	-	1,000,000	1,066,402	(66,402)
Total Support Services	1,170,398	2,310,782	3,481,180	1,507,111	1,974,069
Facilities Acquisition & Construction Services:					
Non-Instructional Equipment	-	292,418	292,418	101,843	190,575
Total Facilities Acquisition & Construction Services	-	292,418	292,418	101,843	190,575
Total Expenditures	2,073,454	2,990,090	5,063,544	2,854,472	2,209,072
Total Outflows	2,073,454	2,990,090	5,063,544	2,854,472	2,209,072
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	42,064	42,064
Fund Balances, July 1	692,539	-	692,539	692,539	-
Fund Balances, June 30	\$ 692,539	\$ -	\$ 692,539	\$ 734,603	\$ 42,064

Recapitulation of Fund Balance:

Restricted for:	
Scholarships	\$ 101,629
Student Activities	<u>632,974</u>
Total Fund Balance	<u>\$ 734,603</u>

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**SOUTHERN REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 75,353,074	\$ 2,896,536
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Federal Share	-	1,827,142
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	297,047	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(342,764)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 75,307,357</u>	<u>\$ 4,723,678</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 72,345,864	\$ 2,854,472
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Facilities Acquisition & Construction Services	<hr/>	<hr/> 1,827,142
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 72,345,864</u>	<u>\$ 4,681,614</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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SOUTHERN REGIONAL SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.08989%	0.09176%	0.09317%	0.09326%	0.09418%	0.09434%	0.09919%	0.09991%	0.10028%	0.09610%
School District's proportionate share of the net pension liability	\$13,566,356	\$10,870,082	\$15,194,011	\$16,803,832	\$18,543,697	\$21,961,589	\$29,377,340	\$22,427,635	\$18,775,162	#####
District's covered-employee payroll	\$7,231,231	\$6,973,365	\$6,732,167	\$6,603,290	\$6,595,769	\$6,508,328	\$6,587,503	\$7,630,036	\$7,640,555	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	187.61%	155.88%	225.69%	254.48%	281.15%	337.44%	445.96%	293.94%	245.73%	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,133,616	\$ 1,074,590	\$ 1,019,261	\$ 907,134	\$ 936,793	\$ 873,989	\$ 881,193	\$ 858,952	\$ 826,694	\$ 724,129
Contributions in relation to the contractually required contribution	(1,133,616)	(1,074,590)	(1,019,261)	(907,134)	(936,793)	(873,989)	(881,193)	(858,952)	(826,694)	(724,129)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 7,231,231	\$ 6,973,365	\$ 6,732,167	\$ 6,603,290	\$ 6,595,769	\$ 6,508,328	\$ 6,587,503	\$ 7,630,036	\$ 7,640,555	Unavailable
Contributions as a percentage of covered-employee payroll	15.68%	15.41%	15.14%	13.74%	14.20%	13.43%	13.38%	11.26%	10.82%	N/A

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

SOUTHERN REGIONAL SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	108,556,222	99,982,421	137,370,006	130,528,131	137,625,054	143,836,424	170,595,322	136,265,190	116,015,121	107,510,677
	\$ 108,556,222	\$ 99,982,421	\$ 137,370,006	\$ 130,528,131	\$ 137,625,054	\$ 143,836,424	\$ 170,595,322	\$ 136,265,190	\$ 116,015,121	\$ 107,510,677
District's covered-employee payroll	\$ 25,173,933	\$ 24,448,507	\$ 24,123,537	\$ 23,585,878	\$ 22,841,848	\$ 22,308,163	\$ 22,248,437	\$ 23,452,825	\$ 22,556,801	\$ 21,660,777
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

M. Schedules Related to Accounting and Reporting for Other Postemployment Benefits (GASB 75)

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

	2023	2022	2021	2020	2019	2018
Total OPEB Liability Associated with the District						
Service Cost	\$ 5,826,838	\$ 6,544,337	\$ 3,671,399	\$ 3,698,326	\$ 4,231,435	\$ 5,099,973
Interest Cost	3,440,435	3,989,893	3,808,091	4,708,928	5,051,741	4,366,278
Differences between Expected and Actual	4,873,443	(24,316,118)	28,177,504	(19,815,573)	(11,334,630)	-
Changes of Assumptions	(34,826,000)	151,741	31,140,324	1,588,785	(13,719,117)	(17,606,068)
Contributions: Member	109,326	102,002	89,956	96,962	110,485	118,047
Gross Benefit Payments	(3,407,852)	(3,142,918)	(2,967,867)	(3,271,006)	(3,196,761)	(3,205,828)
Net Change in Total OPEB Liability Associated with District	(23,983,810)	(16,671,063)	63,919,407	(12,993,578)	(18,856,847)	(11,227,598)
Total OPEB Liability Associated with District (Beginning)	153,806,123	170,477,186	106,557,779	119,551,357	138,408,204	149,635,802
Total OPEB Liability Associated with District (Ending)	<u>\$ 129,822,313</u>	<u>\$ 153,806,123</u>	<u>\$ 170,477,186</u>	<u>\$ 106,557,779</u>	<u>\$ 119,551,357</u>	<u>\$ 138,408,204</u>
District's Covered Employee Payroll	32,405,164	30,189,168	30,815,557	30,318,045	29,445,138	28,903,932
Net OPEB Liability Associated with District as a Percentage of Payroll	400.62%	509.47%	553.22%	351.47%	406.01%	478.86%

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

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**SOUTHERN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	NONPUBLIC NURSING SERVICES	NONPUBLIC TEXTBOOKS	NONPUBLIC TECHNOLOGY	NONPUBLIC CORRECTIVE SPEECH	NONPUBLIC SUPPLEMENTAL INSTRUCTION	AUXILIARY SERVICES NONPUBLIC COMPENSATORY EDUCATION	NONPUBLIC EXAM & CLASSIFICATION
Revenues:							
State Sources	\$ 2,803	\$ 1,704	\$ 1,092	\$ 1,860	\$ 4,956	\$ 7,096	\$ 2,280
Total Revenues	<u>\$ 2,803</u>	<u>\$ 1,704</u>	<u>\$ 1,092</u>	<u>\$ 1,860</u>	<u>\$ 4,956</u>	<u>\$ 7,096</u>	<u>\$ 2,280</u>
Expenditures:							
Instruction:							
Purchased Professional Services	\$ 2,803	\$ -	\$ 1,092	\$ 1,860	\$ 4,956	\$ 7,096	\$ 2,280
Textbooks	-	1,704	-	-	-	-	-
Total Instruction	<u>2,803</u>	<u>1,704</u>	<u>1,092</u>	<u>1,860</u>	<u>4,956</u>	<u>7,096</u>	<u>2,280</u>
Total Expenditures	<u>2,803</u>	<u>1,704</u>	<u>1,092</u>	<u>1,860</u>	<u>4,956</u>	<u>7,096</u>	<u>2,280</u>
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	IDEA PART B BASIC REGULAR	IDEA REGULAR ARP	SCHOOL CLIMATE CHANGE	SDA EMERGENT NEEDS	ESSER II	ESSER II ACCELERATED LEARNING	ESSER III
Revenues:							
Federal Sources	\$ 613,874	\$ 6,660	\$ -	\$ -	\$ 90,890	\$ 27,343	\$ 160,707
State Sources	-	-	6,224	101,843	-	-	-
Total Revenues	\$ 613,874	\$ 6,660	\$ 6,224	\$ 101,843	\$ 90,890	\$ 27,343	\$ 160,707
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 4,500	\$ -	\$ -	\$ -	\$ -	\$ 5,689	\$ 48,585
Purchased Professional/ Technical Services	6,407	-	-	-	-	170	-
Other Purchased Services	594,291	4,560	-	-	-	-	-
General Supplies	-	-	6,224	-	-	-	98,931
Other Objects	-	2,100	-	-	-	-	-
Total Instruction	605,198	6,660	6,224	-	-	5,859	147,516
Support Services:							
Salaries	-	-	-	-	65,062	19,996	7,812
Employee Benefits	344	-	-	-	25,828	1,488	5,379
Other Purchased Services	7,832	-	-	-	-	-	-
Other Objects	500	-	-	-	-	-	-
Total Support Services	8,676	-	-	-	90,890	21,484	13,191
Facilities Acquisition & Construction Services:							
Non-Instructional Equipment	-	-	-	101,843	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	101,843	-	-	-
Total Expenditures	613,874	6,660	6,224	101,843	90,890	27,343	160,707
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SOUTHERN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	TITLE I PART A	TITLE II - PART A TEACHER & PRINCIPAL TRAINING & RECRUITING	TITLE IV	STUDENT ACTIVITIES	SCHOLARSHIPS	TOTAL
Revenues:						
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,858
Federal Sources	408,382	77,712	30,359	-	-	1,415,927
Local Sources	-	-	-	1,102,435	248,316	1,350,751
Total Revenues	\$ 408,382	\$ 77,712	\$ 30,359	\$ 1,102,435	\$ 248,316	\$ 2,896,536
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 258,768	\$ 44,993	\$ 16,294	\$ -	\$ -	\$ 378,829
Purchased Professional / Technical Services	-	-	-	-	-	26,664
Other Purchased Services	-	-	6,597	-	-	605,448
General Supplies	125,618	-	-	-	-	230,773
Textbooks	-	-	-	-	-	1,704
Other Objects	-	-	-	-	-	2,100
Total Instruction	384,386	44,993	22,891	-	-	1,245,518
Support Services:						
Salaries	-	-	-	-	-	92,870
Employee Benefits	19,796	23,038	-	-	-	75,873
Purchased Professional Services	4,200	9,681	6,991	-	-	20,872
Other Purchased Services	-	-	-	-	-	7,832
Supplies & Materials	-	-	477	-	-	477
Other Objects	-	-	-	-	-	500
Student Activities	-	-	-	1,066,402	-	1,066,402
Scholarships	-	-	-	-	242,285	242,285
Total Support Services	23,996	32,719	7,468	1,066,402	242,285	1,507,111
Facilities Acquisition & Construction Services:						
Non-Instructional Equipment	-	-	-	-	-	101,843
Total Facilities Acquisition & Construction Services	-	-	-	-	-	101,843
Total Expenditures	408,382	77,712	30,359	1,066,402	242,285	2,854,472
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	36,033	6,031	42,064
Fund Balance, July 1	-	-	-	596,941	95,598	692,539
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 632,974	\$ 101,629	\$ 734,603

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F. Capital Projects Fund

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**SOUTHERN REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES		UNEXPENDED BALANCE JUNE 30, 2023
			PRIOR YEAR	CURRENT YEAR	
Middle School Window Project	07/25/14	\$ 689,400	\$ 532,934	\$ -	\$ 156,466
High School Renovations	02/24/14	7,480,875	5,220,623	-	2,260,252
Boiler Project	07/01/18	1,063,650	787,068	-	276,582
Track Resurfacing	01/06/20	1,800,000	-	-	1,800,000
Paving and Drainage- High School	03/11/20	1,290,313	1,087,451	-	202,862
Middle School Front Entrance	03/17/21	726,471	582,118	144,353	-
High School Fields & HVAC	03/19/21	3,698,529	2,878,544	155,321	664,664
Middle School Improvements	12/08/21	656,640	647,707	-	8,933
High School Improvements	12/08/21	75,000	5,657	-	69,343
Administrative Building Improvements	12/08/21	325,000	21,168	237,840	65,992
High School Ground Improvements	02/09/22	2,292,000	122,693	331,621	1,837,686
Middle School HVAC	03/09/22	183,795	121,392	46,965	15,438
Total		\$ 20,281,673	\$ 12,007,355	\$ 916,100	\$ 7,358,218

Reconciliation of Fund Balance	
Unexpended Project Balances	\$ 7,358,218
Total Fund Balance	7,358,218
Less: Unexpended State Aid- ROD Grants	(966,687)
Total Fund Balance	<u>\$ 6,391,531</u>

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

Expenditures & Other Financing Uses:	
Other Financing Sources/(Uses):	
Other Purchased Professional and Technical Services	\$ 58,424
Construction Services	<u>857,676</u>
Total Expenditures & Other Financing Sources/(Uses)	<u>916,100</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(916,100)
Fund Balance - Beginning	<u>8,274,318</u>
Fund Balance - Ending	<u><u>\$ 7,358,218</u></u>

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources -- SCC Grant	\$ 275,760	\$ -	\$ 275,760	\$ 275,760
Bond Proceeds	413,640	-	413,640	413,640
Total Revenues and Other Financing Sources	689,400	-	689,400	689,400
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	35,840	-	35,840	35,840
Construction Services	497,094	-	497,094	653,560
Total Expenditures and Other Financing Uses	532,934	-	532,934	689,400
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 156,466</u>	<u>\$ -</u>	<u>\$ 156,466</u>	<u>\$ -</u>

Project Number	4950-060-14G2ZV
Grant Date	07/25/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	689,220
Revised Authorized Cost	689,400
Additional Authorized Cost	180
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	0.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources -- SCC Grant	\$ 2,992,350	\$ -	\$ 2,992,350	\$ 2,992,350
Bond Proceeds	1,188,525	-	1,188,525	1,188,525
Transfer from Capital Reserve	3,300,000	-	3,300,000	3,300,000
Total Revenues and Other Financing Sources	7,480,875	-	7,480,875	7,480,875
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	388,979	-	388,979	388,979
Construction Services	4,831,644	-	4,831,644	7,091,896
Total Expenditures and Other Financing Uses	5,220,623	-	5,220,623	7,480,875
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 2,260,252	\$ -	\$ 2,260,252	\$ -

Project Number	4950-050-14-1001-G04
Grant Date	2/24/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	7,480,875
Revised Authorized Cost	7,480,875
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	69.79%
Original Target Completion Date	9/2017
Revised Target Completion Date	9/2017

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,063,650	\$ -	\$ 1,063,650	\$ 1,063,650
Total Revenues and Other Financing Sources	1,063,650	-	1,063,650	1,063,650
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	50,907	-	50,907	85,092
Construction Services	736,161	-	736,161	978,558
Transfer to Capital Reserve	-	-	-	37,368
Total Expenditures and Other Financing Uses	787,068	-	787,068	1,063,650
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 276,582	\$ -	\$ 276,582	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	570,000
Revised Authorized Cost	1,063,650
Additional Authorized Cost	493,650.00
Percentage Increase Over Original Authorized Cost	86.61%
Percentage Completion	74.00%
Original Target Completion Date	8/31/2019
Revised Target Completion Date	11/30/2020

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,800,000	\$ -	\$ 1,800,000	\$ 1,800,000
Total Revenues and Other Financing Sources	1,800,000	-	1,800,000	1,800,000
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	-	-	289,346
Construction Services	-	-	-	1,510,654
Total Expenditures and Other Financing Uses	-	-	-	1,800,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 1,800,000	\$ -	\$ 1,800,000	\$ -

Project Number	4950-050-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,800,000
Revised Authorized Cost	1,800,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original Target Completion Date	8/3/2020
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,290,313	\$ -	\$ 1,290,313	\$ 1,290,313
Total Revenues and Other Financing Sources	1,290,313	-	1,290,313	1,290,313
Expenditures and Other Financing Uses:				
Construction Services	1,087,451	-	1,087,451	1,290,313
Total Expenditures and Other Financing Uses	1,087,451	-	1,087,451	1,290,313
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 202,862	\$ -	\$ 202,862	\$ -

Project Number	4950-050-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,290,313
Revised Authorized Cost	1,290,313
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	84.28%
Original Target Completion Date	12/1/2021
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 726,471	\$ -	\$ 726,471	\$ 726,471
	<hr/>			
Total Revenues and Other Financing Sources	726,471	-	726,471	726,471
	<hr/>			
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	67,471	-	67,471	67,471
Construction Services	514,647	144,353	659,000	659,000
	<hr/>			
Total Expenditures and Other Financing Uses	582,118	144,353.00	726,471	726,471
	<hr/>			
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 144,353	\$ (144,353)	\$ -	\$ -
	<hr/>			

Project Number	4950-050-21-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	550,000
Revised Authorized Cost	726,471
Additional Authorized Cost	176,471
Percentage Increase Over Original Authorized Cost	32.09%
Percentage Completion	100.00%
Original Target Completion Date	12/1/2021
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 3,698,529	\$ -	\$ 3,698,529	\$ 3,698,529
Total Revenues and Other Financing Sources	<u>3,698,529</u>	<u>-</u>	<u>3,698,529</u>	<u>3,698,529</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	135,775	938	136,713	121,027
Construction Services	2,742,769	154,383	2,897,152	3,577,502
Total Expenditures and Other Financing Uses	<u>2,878,544</u>	<u>155,321</u>	<u>3,033,865</u>	<u>3,698,529</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 819,985</u>	<u>\$ (155,321)</u>	<u>\$ 664,664</u>	<u>\$ -</u>

Project Number	4950-050-21-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	3,875,000
Revised Authorized Cost	3,698,529
Additional Authorized Cost	(176,471)
Percentage Increase Over Original Authorized Cost	-4.55%
Percentage Completion	82.03%
Original Target Completion Date	6/1/2022
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 656,640	\$ -	\$ 656,640	\$ 656,640
Total Revenues and Other Financing Sources	656,640	-	656,640	656,640
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	166,704	-	166,704	166,704
Construction Services	481,003	-	481,003	489,936
Total Expenditures and Other Financing Uses	647,707	-	647,707	656,640
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 8,933.00	\$ -	\$ 8,933	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	656,640
Revised Authorized Cost	656,640
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	98.64%
Original Target Completion Date	06/30/24
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 75,000	\$ -	\$ 75,000	\$ 75,000
Total Revenues and Other Financing Sources	75,000	-	75,000	75,000
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	5,616	-	5,616	5,616
Construction Services	-	-	-	69,384
Total Expenditures and Other Financing Uses	5,616	-	5,616	75,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 69,384	\$ -	\$ 69,384	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	75,000
Revised Authorized Cost	75,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	7.49%
Original Target Completion Date	06/30/24
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 325,000	\$ -	\$ 325,000	\$ 325,000
Total Revenues and Other Financing Sources	325,000	-	325,000	325,000
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	21,168	-	21,168	21,168
Construction Services	-	237,840	237,840	303,832
Total Expenditures and Other Financing Uses	21,168	237,840	259,008	325,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 303,832.00	\$ (237,840)	\$ 65,992	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	325,000
Revised Authorized Cost	325,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	79.69%
Original Target Completion Date	6/30/2024
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 2,292,000	\$ -	\$ 2,292,000	\$ 2,292,000
Total Revenues and Other Financing Sources	<u>2,292,000</u>	<u>-</u>	<u>2,292,000</u>	<u>2,292,000</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	122,693	10,521	133,214	122,693
Construction Services	-	321,100	321,100	2,169,307
Total Expenditures and Other Financing Uses	<u>122,693</u>	<u>331,621</u>	<u>454,314</u>	<u>2,292,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 2,169,307.00</u>	<u>\$ (331,621)</u>	<u>\$ 1,837,686</u>	<u>\$ -</u>

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	2,292,000
Revised Authorized Cost	2,292,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	19.82%
Original Target Completion Date	6/30/24
Revised Target Completion Date	N/A

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

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 183,795	\$ -	\$ 183,795	\$ 183,795
Total Revenues and Other Financing Sources	<u>183,795</u>	<u>-</u>	<u>183,795</u>	<u>183,795</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	121,392	46,965	168,357	183,795
Total Expenditures and Other Financing Uses	<u>121,392</u>	<u>46,965</u>	<u>168,357</u>	<u>183,795</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 62,403.00</u>	<u>\$ (46,965)</u>	<u>\$ 15,438</u>	<u>\$ -</u>

Project Number	4950-060-22-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	183,795
Revised Authorized Cost	183,795
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	91.60%
Original Target Completion Date	6/30/24
Revised Target Completion Date	N/A

G. Proprietary Funds

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Enterprise Funds

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**SOUTHERN REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2023**

ASSETS	BUSINESS-TYPE ACTIVITIES		
	FOOD SERVICE FUND	COMMUNITY EDUCATION	TOTAL
Current Assets:			
Cash & Cash Equivalents	\$ 574,586	\$ 10,365	\$ 584,951
Accounts Receivable:			
State	352	-	352
Federal	7,856	-	7,856
Other	8,234	-	8,234
Inventory	11,278	-	11,278
Total Current Assets	602,306	10,365	612,671
Noncurrent Assets:			
Furniture, Machinery & Equipment	620,559	-	620,559
Less: Accumulated Depreciation	(392,973)	-	(392,973)
Total Noncurrent Assets	227,586	-	227,586
Total Assets	829,892	10,365	840,257
LIABILITIES			
Current Liabilities:			
Accounts Payable	56,854	-	56,854
Unearned Revenue	16,087	-	16,087
Interfund Payable	40,000	-	40,000
Total Current Liabilities	112,941	-	112,941
Total Liabilities	112,941	-	112,941
NET POSITION			
Investment in Capital Assets	227,586	-	227,586
Unrestricted	489,365	10,365	499,730
Total Net Position	\$ 716,951	\$ 10,365	\$ 727,316

SOUTHERN REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2023

	<u>BUSINESS-TYPE ACTIVITIES</u>		
	FOOD SERVICE FUND	COMMUNITY EDUCATION	TOTAL
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 636,099	\$ -	\$ 636,099
Daily Sales Nonreimbursable Programs	35,093	-	35,093
Special Functions	9,940	-	9,940
Miscellaneous	8,764	4,457	13,221
	<hr/>		
Total Operating Revenue	689,896	4,457	694,353
<hr/>			
Operating Expenses:			
Salaries	304,791	2,334	307,125
Employee Benefits	60,187	-	60,187
Other Purchased Services	89,670	-	89,670
Depreciation	33,923	-	33,923
Miscellaneous	12,403	-	12,403
Cost of Sales - Reimbursable Programs	467,745	-	467,745
Cost of Sales - Non-Reimbursable Programs	16,155	-	16,155
	<hr/>		
Total Operating Expenses	984,874	2,334	987,208
<hr/>			
Operating/(Loss)/Gain	(294,978)	2,123	(292,855)
<hr/>			
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	15,526	-	15,526
State School Breakfast Program	1,209	-	1,209
Federal Sources:			
National School Lunch Program	307,018	-	307,018
Food Distribution Program	51,683	-	51,683
National School Breakfast Program	51,333	-	51,333
Supply Chain Assistance Grant	140,427	-	140,427
Loss on Capital Asset	(3,601)	-	(3,601)
	<hr/>		
Total Nonoperating Revenues/ (Expenses)	563,595	-	563,595
<hr/>			
Net Income/(Loss)	268,617	2,123	270,740
Net Position - Beginning,	448,334	8,242	456,576
	<hr/>		
Total Net Position - Ending	\$ 716,951	\$ 10,365	\$ 727,316
	<hr/>		

**SOUTHERN REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2023**

	<u>BUSINESS-TYPE ACTIVITIES</u>		
	FOOD SERVICE FUND	SUMMER CAMPS	TOTAL
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 686,981	\$ 4,457	\$ 691,438
Payments to Suppliers	(530,938)	-	(530,938)
Payments to Employees	(304,791)	(2,334)	(307,125)
Payments for Employee Benefits	(60,187)	-	(60,187)
Net Cash Provided/(Used) by Operating Activities	<u>(208,935)</u>	<u>2,123</u>	<u>(206,812)</u>
Cash Flows From Capital Financing Activities:			
Purchase of Equipment	(212,688)	-	(212,688)
Net Cash Used by Capital Financing Activities	<u>(212,688)</u>	<u>-</u>	<u>(212,688)</u>
Cash Flows From Non-Capital Financing Activities:			
Cash Received from State & Federal Reimbursements	614,014	-	614,014
Net Cash Provided by Non-Capital Financing Activities	<u>614,014</u>	<u>-</u>	<u>614,014</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	192,391	2,123	194,514
Cash & Cash Equivalents, July 1	<u>382,195</u>	<u>8,242</u>	<u>390,437</u>
Cash & Cash Equivalents, June 30	<u>\$ 574,586</u>	<u>\$ 10,365</u>	<u>\$ 584,951</u>

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES

Operating Income/(Loss)	\$ (294,978)	\$ 2,123	\$ (292,855)
Adjustments to Reconcile Operating Income/(Loss) in Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	33,923	-	33,923
Change in Assets & Liabilities:			
(Increase)/Decrease in Accounts Receivable	(8,234)	-	(8,234)
(Increase)/Decrease in Inventory	(1,819)	-	(1,819)
Increase/(Decrease) in Unearned Revenue	5,319	-	5,319
Increase/(Decrease) in Accounts Payable	56,854	-	56,854
Total Adjustments	<u>86,043</u>	<u>-</u>	<u>86,043</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (208,935)</u>	<u>\$ 2,123</u>	<u>\$ (206,812)</u>

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Internal Service Fund

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**SOUTHERN REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	<u>GOVERNMENTAL ACTIVITIES</u> <u>INTERNAL SERVICE FUND</u>
ASSETS	
Current Assets:	
Cash & Cash Equivalents	<u>\$ -</u>
Total Assets	<u>-</u>
 NET POSITION	
Unrestricted	<u>-</u>
Total Net Position	<u><u>\$ -</u></u>

**SOUTHERN REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2023**

	GOVERNMENTAL <u>ACTIVITIES</u> INTERNAL SERVICE FUND
OPERATING REVENUE:	
Contributions	\$ 7,720
Total Operating Revenue	<u>7,720</u>
Operating (Loss)/Gain	<u>7,720</u>
NON OPERATING REVENUES:	
Interest Revenue	<u>86</u>
Total Non Operating Revenue	<u>86</u>
Net Income/(Loss)	<u>7,806</u>
Other Financing Sources/(Uses):	
Operating Transfer In/(Out):	
Transfers to General Fund	<u>(8,275)</u>
Total Other Financing Sources/(Uses)	<u>(8,275)</u>
Change in Net Position	(469)
Total Net Position - July 1	<u>469</u>
Total Net Position - June 30	<u><u>\$ -</u></u>

**SOUTHERN REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2023**

	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND</u>
Cash Flows From Operating Activities:	
Receipts from Vendors	\$ 7,720
Payments to Employees	<u>(11,213)</u>
Net Cash Provided/(Used) by Operating Activities	<u>(3,493)</u>
Cash Flows From Investing Activities:	
Interest Income	<u>86</u>
Net Cash Provided by Investing Activities	<u>86</u>
Cash Flows From Noncapital Financing Activities:	
Transfers to General Fund	<u>(8,275)</u>
Net Cash Provided by Noncapital Financing Activities	<u>(8,275)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	<u>(11,682)</u>
Cash & Cash Equivalents, July 1	<u>\$ 11,682</u>
Cash & Cash Equivalents, June 30	<u><u>\$ -</u></u>
 RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	
Reconciliation of Operating Income (Loss) to Cash Provided/(Used) by Operating Activities:	\$ 7,720
Operating Income (Loss)	
Adjustments to Reconcile Operating Income/(Loss) in Cash Provided/(Used) by Operating Activities:	
Change in Assets & Liabilities:	
Increase/(Decrease) in Claims Payable	<u>(11,213)</u>
Total Adjustments	<u>(11,213)</u>
Net Cash Provided/(Used) by Operating Activities	<u><u>\$ (3,493)</u></u>

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I. Long-Term Debt

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**SOUTHERN REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	JUNE 30, 2023				POSITIVE/ NEGATIVE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Fund Balance, July 1	26	-	26	26	-
Fund Balance, June 30	\$ 26	\$ -	\$ 26	\$ 26	\$ -

**SOUTHERN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF COMPENSATED ABSENCES
JUNE 30, 2023**

	OUTSTANDING BALANCE			OUTSTANDING BALANCE	
	2022	ADDITIONS	DELETIONS	2023	
Governmental Compensated Absences	\$ 4,649,702	\$ 404,185	\$ -	\$ 5,053,887	
Total Compensated Absences	<u>\$ 4,649,702</u>	<u>\$ 404,185</u>	<u>\$ -</u>	<u>\$ 5,053,887</u>	

STATISTICAL SECTION (Unaudited)

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SOUTHERN REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30,										
Governmental Activities:										
Net Investment in Capital Assets	\$ 42,114,248	\$ 40,533,769	\$ 36,202,082	\$ 35,692,410	\$ 34,480,582	\$ 27,614,073	\$ 24,134,579	\$ 23,371,388	\$ 2,362,258	\$ 23,912,510
Restricted	26,521,442	24,035,617	24,889,239	(48,600,968)	19,453,868	17,404,101	17,791,192	9,369,395	6,263,186	5,642,181
Unrestricted	(15,277,135)	(16,871,867)	(20,257,803)	(22,556,750)	(23,277,151)	(24,764,769)	(25,750,560)	(18,250,930)	206,634	25,718
Total Governmental Activities	\$ 53,358,555	\$ 47,697,519	\$ 40,833,518	\$ (35,465,308)	\$ 30,657,299	\$ 20,253,405	\$ 16,175,211	\$ 14,489,853	\$ 8,832,078	\$ 29,580,409
Business-Type Activities:										
Net Investment in Capital Assets	\$ 227,586	\$ 52,422	\$ 59,759	\$ 67,096	\$ 75,188	\$ 40,934	\$ 28,088	\$ 27,920	\$ 29,866	\$ 31,812
Unrestricted	499,730	404,154	65,983	(674)	16,224	66,271	108,003	123,510	128,761	180,062
Total Business-Type Activities	\$ 727,316	\$ 456,576	\$ 125,742	\$ 66,422	\$ 91,412	\$ 107,205	\$ 136,091	\$ 151,430	\$ 158,627	\$ 211,874
District-Wide:										
Net Investment in Capital Assets	\$ 42,341,834	\$ 40,586,191	\$ 36,261,842	\$ 35,759,506	\$ 34,555,770	\$ 27,655,007	\$ 24,162,667	\$ 23,399,308	\$ 23,722,124	\$ 23,944,322
Restricted	26,521,442	24,035,617	24,939,238	22,329,622	19,453,842	17,414,101	17,791,192	9,369,395	6,263,186	5,642,181
Unrestricted	(14,777,405)	(16,467,713)	(20,191,820)	(22,577,444)	(23,260,927)	(24,698,498)	(25,642,557)	(18,127,420)	335,395	205,780
Total District Net Position	\$ 54,085,871	\$ 48,154,095	\$ 41,009,260	\$ 35,511,684	\$ 30,748,685	\$ 20,370,610	\$ 16,311,302	\$ 14,641,283	\$ 30,320,705	\$ 29,792,283

**SOUTHERN REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 17,435,387	\$ 16,972,357	\$ 32,956,949	\$ 29,890,588	\$ 32,315,192	\$ 18,731,677	\$ 19,182,801	\$ 18,489,286	\$ 19,091,978	\$ 15,030,411
Special Education	7,294,255	7,426,260	11,825,370	11,094,985	10,103,495	6,982,113	6,801,483	7,049,052	7,990,020	5,446,454
Other Special Instruction	-	-	-	-	-	-	-	-	-	-
Other Instruction	1,997,107	1,818,911	2,907,194	2,752,543	2,729,117	1,685,225	1,598,617	1,638,675	1,616,800	1,539,768
Support Services:										
Tuition	389,304	495,002	632,574	256,441	296,244	394,945	149,919	318,069	511,071	767,233
Student & Instruction Related Services	6,155,846	6,080,180	9,339,719	6,652,765	6,949,156	5,763,742	5,986,832	5,808,533	5,644,050	4,182,942
Health Services	311,436	301,760	-	-	-	-	-	-	-	-
Educational Media Services/School Library	368,516	342,910	2,530,697	2,172,031	2,324,640	2,140,788	2,171,609	2,080,591	1,946,543	2,055,092
School Administrative Services	1,745,448	1,707,010	1,119,362	1,170,865	1,165,139	992,498	1,062,092	916,905	880,399	770,084
General Administrative	948,116	965,893	1,000,456	899,560	972,585	775,974	769,672	686,429	709,002	553,504
Central Services	691,539	662,485	559,191	535,535	562,381	425,441	449,060	434,643	411,896	359,949
Administrative Information Technology	463,905	416,764	7,862,250	7,051,845	7,438,059	6,172,943	5,585,388	5,545,534	5,286,919	4,509,825
Plant Operations & Maintenance	6,128,541	6,230,641	5,552,274	5,137,277	5,056,684	4,034,950	3,956,581	4,113,937	4,399,507	4,426,510
Pupil Transportation	4,506,885	4,053,860	-	-	-	-	-	-	-	-
Employee Benefits	17,960,613	19,443,386	-	-	-	11,344,211	15,636,826	14,187,433	12,979,031	22,303,431
On Behalf TPAP Pension and Social Security Contributions	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	38,250	38,195	35,963	-	-	-	-	-
Adjustment to Capital Assets	-	-	-	-	-	-	-	-	-	-
Unallocated Depreciation	38,250	-	-	-	-	1,514,415	1,527,815	1,562,443	2,022,111	1,335,705
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Transfer to Enterprise Funds	2,177,080	1,915,848	-	27,000	125,285	-	-	-	-	-
Interest and Charges on Long Term Debt	-	-	-	-	-	48,890	52,909	7,262	104,369	142,177
Reduction of Capital Assets	-	-	-	-	-	-	281,582	560,105	102,258	(1,212,204)
Amortization of Debt Issuance Costs	-	-	-	-	-	-	-	-	-	7,059
Total Governmental Activities Expenses	\$68,612,228	\$68,833,267	\$76,324,286	\$67,679,630	\$70,073,940	\$61,007,812	\$65,213,186	\$63,398,897	\$63,695,954	\$60,740,985
Business-Type Activities:										
Food Service/Community Education	987,208	1,132,019	453,738	758,030	984,778	962,731	1,026,437	1,050,833	1,127,798	1,054,239
Total Business-Type Activities Expenses	987,208	1,132,019	453,738	758,030	984,778	962,731	1,026,437	1,050,833	1,127,798	1,054,239
Total District Expenses	\$ 69,599,436	\$ 69,965,286	\$ 76,778,024	\$ 68,437,660	\$ 71,058,718	\$ 61,970,543	\$ 66,239,623	\$ 64,449,730	\$ 64,823,752	\$ 61,795,224
										\$ 66,109,679

**SOUTHERN REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues:										
Governmental Activities:										
Charges for Services & Operating Grants										
Instruction (Special Education)	\$ 3,174,503	\$ 2,502,670	\$ 17,128,604	\$ 12,790,324	\$ 14,083,026	\$ 761,213	\$ 786,811	\$ 818,469	\$ 784,400	\$ 772,617
Support Services:										
Student & Instruction & Related Services	198,424	196,947	3,730,841	867,601	1,262,884	71,968	83,135	69,576	104,444	103,104
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
Employee Benefits	7,414,796	11,063,735	-	-	-	1,240,437	10,499,548	10,062,740	10,159,309	10,284,412
Total Governmental Activities Program Revenues	10,787,723	13,763,352	20,859,445	13,657,925	15,345,910	2,073,618	11,369,494	10,950,785	11,048,153	11,160,133
Business-Type Activities:										
Charges for Services:										
Food Service/Community Education	694,353	156,233	81,017	442,856	595,711	618,045	651,233	671,189	729,009	736,254
Other Activities	567,196	1,306,620	383,061	241,912	313,753	315,571	359,642	329,979	336,154	315,712
Operating Grants & Contributions										
Total Business Type Activities Program Revenues	1,261,549	1,462,853	464,078	684,768	909,464	933,616	1,010,875	1,001,168	1,065,163	1,051,966
Total District Program Revenues	\$ 12,049,272	\$ 15,226,205	\$ 21,323,523	\$ 14,342,693	\$ 16,255,374	\$ 3,007,234	\$ 12,380,369	\$ 11,951,953	\$ 12,113,316	\$ 12,212,099
Net/(Expense)/Revenue:										
Governmental Activities	\$ (57,824,505)	\$ (55,069,915)	\$ (55,464,841)	\$ (54,021,705)	\$ (54,728,030)	\$ (58,934,194)	\$ (53,843,692)	\$ (52,448,112)	\$ (52,647,801)	\$ (49,580,852)
Business-Type Activities	274,341	330,834	10,340	(73,262)	(75,314)	(29,115)	(15,562)	(49,665)	(62,635)	(2,273)
Total District-Wide Net Expense	\$ (57,550,164)	\$ (54,739,081)	\$ (55,454,501)	\$ (54,094,967)	\$ (54,803,344)	\$ (58,963,309)	\$ (53,859,254)	\$ (52,497,777)	\$ (52,710,436)	\$ (49,583,125)

**SOUTHERN REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 49,296,603	\$ 48,371,243	\$ 47,650,013	\$ 46,781,910	\$ 46,318,846	\$ 44,960,904	\$ 43,890,411	\$ 42,545,911	\$ 40,578,741	\$ 39,748,572
Taxes Levied for Debt Service	4,534,000	3,955,774	3,555,031	3,342,730	2,943,949	1,538,993	1,622,557	1,693,882	1,718,374	1,999,925
Unrestricted Grants & Contributions	6,910,065	7,068,408	7,334,695	767,932	8,103,900	8,968,178	2,490,675	2,736,972	2,368,375	2,277,711
Tuition Received	719,943	739,550	705,800	802,109	1,025,148	924,054	1,052,188	7,195,290	7,557,267	7,549,689
Transportation Fees	137,348	2,041	-	-	-	19,625	6,101	3,567	2,191	978,794
Investment Earnings	1,887,582	1,746,900	684,465	260,076	173,904	104,155	81,831	65,815	126,615	170,859
Miscellaneous Income	-	-	(91,550)	(35,044)	(136,263)	-	-	-	-	-
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Other	-	-	(52,000)	-	-	-	-	-	(2,000)	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	63,485,541	61,883,916	59,786,454	51,919,713	58,675,674	63,022,388	55,529,050	55,213,397	53,287,690	52,727,868
Business-Type Activities:										
Investment Earnings	(3,601)	-	-	-	-	229	223	244	335	458
Capital Asset Adjustment	-	-	-	-	(2,971)	-	-	-	-	-
Transfers/Other	-	-	52,000	48,253	125,557	-	-	42,224	8,523	4,761
Total Business-Type Activities	(3,601)	-	52,000	48,253	122,586	229	223	42,468	8,858	5,219
Total District-Wide	\$ 63,481,940	\$ 61,883,916	\$ 59,838,454	\$ 51,967,966	\$ 58,798,260	\$ 63,022,617	\$ 55,529,273	\$ 55,255,865	\$ 53,296,548	\$ 52,733,087
Change in Net Position:										
Governmental Activities	\$ 5,661,036	\$ 6,814,001	\$ 4,321,613	\$ (2,101,992)	\$ 3,947,644	\$ 4,088,194	\$ 1,685,358	\$ 2,765,285	\$ 639,889	\$ 3,147,016
Business-Type Activities	270,740	330,834	62,340	(25,009)	47,272	(28,886)	(15,339)	(7,197)	(53,777)	2,946
Total District	\$ 5,931,776	\$ 7,144,835	\$ 4,383,953	\$ (2,127,001)	\$ 3,994,916	\$ 4,059,308	\$ 1,670,019	\$ 2,758,088	\$ 586,112	\$ 3,149,962

**SOUTHERN REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 19,724,284	\$ 16,773,779	\$ 16,300,655	\$ 17,953,013	\$ 14,797,749	\$ 13,543,234	\$ 8,449,262	\$ 9,278,889	\$ 6,259,328	\$ 4,299,332
Assigned	3,345,621	1,907,750	2,010,831	1,640,980	816,265	604,931	572,043	430,164	-	-
Unrestricted	1,617,848	3,036,456	3,098,740	1,677,779	1,533,695	1,344,016	1,343,788	1,102,947	1,679,874	2,131,005
Total General Fund	\$ 24,687,753	\$ 21,717,985	\$ 13,299,185	\$ 10,753,909	\$ 8,951,989	\$ 7,194,944	\$ 5,405,826	\$ 4,858,403	\$ 4,336,295	\$ 4,000,220
All Other Governmental Funds:										
Restricted	\$ 7,126,160	\$ 8,000,196	\$ 8,638,584	\$ 4,376,609	\$ 4,656,093	\$ 3,870,867	\$ 4,560,014	\$ 121,789	\$ 40,400	\$ 1,342,849
Total All Other Governmental Funds	\$ 7,126,160	\$ 8,000,196	\$ 597,575	\$ 220,839	\$ 220,840	\$ 340,775	\$ 367,353	\$ 58,421	\$ 138,423	\$ 217,920

**SOUTHERN REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Taxes Local	\$ 49,296,603	\$ 48,371,243	\$ 47,650,013	\$ 46,781,910	\$ 46,565,036	\$ 46,499,897	\$ 45,512,968	\$ 44,239,793	\$ 42,297,115	\$ 41,748,497
Tuition Changes	6,910,065	7,068,408	7,334,695	7,677,932	8,103,900	6,506,479	6,385,287	7,195,290	7,557,267	7,549,689
Transportation	719,943	739,550	705,800	802,109	1,025,148	925,054	1,052,188	971,960	938,127	978,794
Interest Earnings	137,262	2,000	-	-	-	19,560	6,002	3,468	2,120	2,103
Miscellaneous	1,887,582	1,746,900	684,434	260,029	167,503	104,155	81,831	65,815	126,615	170,859
State Sources	17,781,667	16,545,567	13,363,422	11,397,517	10,796,831	8,937,259	7,844,497	7,316,222	6,397,356	6,775,706
Federal Sources	3,297,913	2,716,638	1,584,041	915,625	1,036,572	864,100	907,926	907,128	900,656	907,543
Total Revenue	80,031,035	77,190,306	71,322,405	67,835,122	67,694,990	63,856,504	61,790,699	60,699,676	58,219,256	58,133,191
Expenditures:										
Instruction:										
Regular Instruction	17,435,387	16,972,357	20,018,032	19,757,552	20,801,040	18,731,677	19,182,801	18,489,286	19,091,978	15,030,411
Special Education Instruction	7,294,255	7,426,260	7,182,723	7,333,738	6,503,542	6,982,113	6,801,483	7,049,052	7,990,020	5,446,454
Other Instruction	1,997,107	1,818,911	1,765,828	1,819,419	1,756,712	1,685,225	1,598,617	1,638,675	1,616,800	1,539,768
Undistributed:										
Tuition	389,304	495,002	516,320	227,189	256,501	394,945	149,919	318,069	511,071	767,233
Attendance & Social Work Services	115,598	105,686	7,088,261	5,387,205	5,499,725	5,763,742	5,986,832	5,808,533	5,644,050	4,182,942
Health Services	311,436	301,760	-	-	-	-	-	-	-	-
Related Services	1,943,436	1,988,993	-	-	-	-	-	-	-	-
Extraordinary Services	947,592	873,965	-	-	-	-	-	-	-	-
Support Services - Students:										
Regular	1,336,240	1,308,212	-	-	-	-	-	-	-	-
Special	1,277,648	1,228,222	-	-	-	-	-	-	-	-
Improvement of Instruction	534,633	574,186	-	-	-	-	-	-	-	-
Educational Media Services	368,516	342,910	-	-	-	-	-	-	-	-
Other Support Services	1,987	-	1,808,027	1,778,084	1,846,187	1,201,415	1,218,732	1,121,072	1,120,898	913,453
General Administration	946,129	965,893	913,646	1,037,306	1,008,827	992,498	1,062,092	916,905	880,399	770,084
School Administration	1,745,448	1,707,010	2,065,607	1,924,271	2,012,772	2,140,788	2,171,609	2,080,591	1,946,543	2,055,092
Central Administration	691,539	662,485	-	-	-	-	-	-	-	-

**SOUTHERN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenditures (continued):										
Administration Information Technology	463,905	416,764	-	-	-	-	-	-	-	-
Allowable Maintenance for School Facilities	1,904,497	2,019,260	-	-	-	-	-	-	-	-
Operation & Maintenance of Plant Services	4,150,264	3,957,297	6,261,680	6,521,893	6,248,055	5,555,641	5,677,472	5,411,015	4,639,831	4,513,592
Student Transportation	4,506,885	4,053,860	4,551,275	4,378,291	4,034,950	3,956,581	4,113,937	4,399,507	2,949,555	2,937,411
Unallocated Benefits	12,538,831	11,192,533	11,015,318	11,217,428	9,268,577	8,605,750	7,542,305	6,842,199	17,803,557	16,132,166
On Behalf TPAF Pension and Social Security Contributions	13,172,653	12,606,814	-	-	-	-	-	-	-	-
Capital Outlay	3,834,061	6,504,557	2,580,306	4,603,245	1,989,496	1,075,286	1,271,217	1,244,935	882,083	1,434,300
Debt Service Expenditures:										
Principal	-	-	251,950	489,453	1,750,264	1,565,000	1,625,000	1,680,000	1,755,000	1,645,000
Interest	38,250	-	38,250	39,505	57,250	57,563	93,375	126,425	139,214	442,812
Total Expenditures	77,943,578	77,520,935	66,055,202	66,512,559	63,031,879	58,706,206	58,493,374	57,124,248	66,968,984	57,808,704
Excess (Deficiency) of Revenues Over/(Under) Expenditures	2,087,457	(330,629)	5,267,203	1,322,563	4,663,111	5,150,298	3,297,325	3,575,428	(8,749,728)	32,4487
Other Financing Sources/(Uses):										
Financed Purchases (Non-Budgeted)	-	-	-	-	-	-	-	495,000	-	647,664
Transfers Out	-	(3,532,435)	(1,827,000)	(3,664,356)	-	(3,300,000)	(413,730)	(782,928)	(1,434,000)	(21,243)
Transfers In	8,275	3,532,435	1,800,000	3,539,071	1,823,432	3,300,000	413,730	780,928	2,868,000	5,707
Total Other Financing Sources/(Uses)	8,275	-	(27,000)	(125,285)	1,823,432	-	-	493,000	1,434,000	632,128
Net Change in Fund Balances	\$2,095,732	(\$30,629)	\$5,240,203	\$1,197,278	\$6,486,543	\$5,150,298	\$3,297,325	\$4,068,428	(\$7,315,728)	\$956,615
Debt Service as a Percentage of Noncapital Expenditures	0%		0%	1%	3%	3%	3%	3%	3%	4%

Source: District Records

**SOUTHERN REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	MISCELLANEOUS	TOTAL
2023	137,262	\$ 536,831	\$ 674,093
2022	2,000	247,457	249,457
2021	2,000	98,622	100,622
2020	1,000	259,029	260,029
2019	10,147	163,619	173,766
2018	19,163	104,155	123,318
2017	6,002	81,374	87,376
2016	3,378	65,808	69,186
2015	-	126,608	126,608
2014	16,404	147,623	164,027

Source: District records

**SOUTHERN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

BARNEGAT LIGHT

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	APARTMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2023	\$ 28,402,100	\$ 984,256,800	\$ 38,374,700	\$ 1,156,800	\$ 1,052,190,400	\$ 130,424,700	\$ 1,182,615,100	0.1990
2022	29,641,500	976,808,500	37,150,100	1,156,800	1,044,756,900	130,424,700	1,175,181,600	0.1800
2021	29,373,900	954,585,800	37,150,100	1,156,800	1,022,266,600	130,404,700	1,152,671,300	0.2490
2020	31,120,000	942,012,200	37,694,300	1,156,800	1,011,983,300	130,404,700	1,142,388,000	0.2610
2019	29,678,400	945,058,800	35,725,300	1,156,800	1,011,619,300	130,404,700	1,142,024,000	0.2330
2018	33,208,200	935,636,500	36,303,852	1,156,800	1,006,305,352	130,319,700	1,136,625,052	0.2350
2017	33,681,500	929,111,400	36,664,300	1,156,800	1,000,614,000	130,119,700	1,130,733,700	0.2490
2016	33,406,600	928,665,600	37,204,437	1,156,800	1,000,433,437	129,937,700	1,130,371,137	0.1830
2015	33,984,208	925,762,300	37,315,700	1,156,800	998,219,008	129,954,000	1,128,173,008	0.2000
2014	37,240,700	919,616,400	37,246,200	1,156,800	995,260,100	129,954,000	1,125,214,100	0.2000

BEACH HAVEN

2023	\$ 60,971,900	\$ 1,966,173,900	\$ 122,338,900	\$ 14,137,900	\$ 2,163,622,600	\$ 70,612,500	\$ 2,234,235,100	0.3070
2022	61,305,600	1,943,651,900	122,338,900	14,137,900	2,141,434,300	69,912,500	2,211,346,800	0.2980
2021	60,491,800	1,933,830,300	124,719,200	14,137,900	2,133,179,200	62,945,700	2,196,124,900	0.2940
2020	60,600,600	1,911,509,700	128,845,800	14,137,900	2,115,094,000	64,237,600	2,179,331,600	0.3270
2019	63,815,500	1,897,035,300	128,623,200	15,022,900	2,104,496,900	60,685,600	2,165,182,500	0.3020
2018	70,975,900	1,864,116,800	130,675,110	15,022,900	2,080,790,710	60,685,600	2,141,476,310	0.3560
2017	71,041,500	1,850,883,300	131,104,600	15,022,900	2,068,052,300	60,685,600	2,128,737,900	0.3060
2016	72,703,300	1,495,079,300	104,787,941	11,888,900	1,684,459,441	50,361,200	1,734,820,641	0.3010
2015	71,052,100	1,484,137,800	104,037,792	11,888,900	1,671,116,592	51,801,708	1,722,918,300	0.3810
2014	74,759,100	1,468,222,600	104,037,792	11,888,900	1,658,908,392	51,675,508	1,710,583,900	0.3810

**SOUTHERN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

HARVEY CEDARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	APARTMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2023	\$ 35,065,000	\$ 1,276,138,800	\$ 15,109,300	\$ -	\$ 1,326,313,100	\$ 47,598,600	\$ 1,373,911,700	0.2360
2022	27,400,200	1,277,630,600	15,109,300	-	1,320,140,100	47,598,600	1,367,738,700	0.2860
2021	23,515,200	1,259,334,200	15,109,300	-	1,297,958,700	47,561,200	1,345,519,900	0.2760
2020	23,515,200	1,259,334,200	15,109,300	-	1,297,958,700	47,561,200	1,345,519,900	0.2760
2019	23,480,400	1,247,576,600	15,109,300	-	1,286,166,300	47,561,200	1,333,727,500	0.2670
2018	22,040,800	1,243,889,400	15,109,300	-	1,281,039,500	43,045,600	1,324,085,100	0.2590
2017	31,136,600	1,212,703,200	15,124,254	-	1,258,964,054	43,045,600	1,302,009,654	0.2730
2016	33,832,500	1,193,289,400	14,959,100	-	1,242,081,000	43,090,400	1,285,171,400	0.2510
2015	27,826,900	1,196,388,500	14,228,550	-	1,238,443,950	43,090,400	1,281,534,350	0.2780
2014	18,457,500	1,262,792,400	14,062,600	-	1,295,312,500	43,819,900	1,339,132,400	0.3300

LONG BEACH TOWNSHIP

2023	\$ 242,942,800	\$ 10,313,984,200	\$ 139,245,300	\$ 1,865,000	\$ 10,698,037,300	\$ 126,475,800	\$ 10,824,513,100	0.2520
2022	290,510,700	10,077,612,600	139,853,400	1,865,000	10,509,841,700	126,436,700	10,636,278,400	0.2510
2021	215,393,500	10,090,886,400	148,862,700	1,865,000	10,457,007,600	123,342,100	10,580,349,700	0.2410
2020	215,393,500	10,090,886,400	148,862,700	1,865,000	10,457,007,600	123,342,100	10,580,349,700	0.2410
2019	228,418,600	7,699,298,965	136,455,400	3,317,300	8,067,490,265	94,538,100	8,162,028,365	0.3010
2018	240,661,400	7,602,874,965	137,495,200	4,239,500	7,985,271,065	95,445,300	8,080,716,365	0.3150
2017	250,261,600	7,513,702,465	140,767,793	4,239,500	7,908,971,358	96,687,700	8,005,659,058	0.2910
2016	231,570,900	7,472,986,765	140,232,400	4,951,800	7,849,741,865	95,011,800	7,944,753,665	0.2360
2015	246,475,000	7,383,362,865	145,412,322	4,953,200	7,780,203,387	93,033,700	7,873,237,087	0.2650
2014	259,653,500	7,294,716,515	141,317,600	5,015,200	7,700,702,815	93,032,400	7,793,735,215	0.3160

**SOUTHERN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

SHIP BOTTOM BOROUGH

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	APARTMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2023	\$ 22,101,800	\$ 1,280,465,200	\$ 132,234,200	\$ 3,149,400	\$ 1,437,950,600	\$ 74,817,000	\$ 1,512,767,600	0.2780
2022	27,417,600	1,258,930,600	131,459,900	3,149,400	1,420,957,500	72,243,400	1,493,200,900	0.2490
2021	26,217,600	1,238,906,800	132,131,807	3,149,400	1,400,405,607	71,654,007	1,472,059,614	0.2670
2020	22,933,400	1,220,973,300	130,902,399	3,149,400	1,377,958,499	71,359,507	1,449,318,006	0.2740
2019	26,230,300	1,194,142,000	115,402,140	3,149,400	1,338,923,840	71,359,507	1,410,283,347	0.2880
2018	27,642,400	1,178,083,700	115,537,551	3,149,400	1,324,413,051	71,037,107	1,395,450,158	0.3010
2017	35,815,000	1,156,328,700	116,839,700	3,149,400	1,312,132,800	70,971,307	1,383,104,107	0.2520
2016	33,876,200	983,853,300	115,437,726	2,659,900	1,135,827,126	54,215,000	1,190,042,126	0.2180
2015	41,059,900	961,920,500	114,620,700	2,659,900	1,120,261,000	52,352,100	1,172,613,100	0.2470
2014	35,066,700	950,796,400	115,001,600	2,639,900	1,103,504,600	51,821,300	1,155,325,900	0.2470

STAFFORD TOWNSHIP

2023	\$ 55,802,400	\$ 3,829,951,800	\$ 525,360,200	\$ 12,921,100	\$ 4,424,035,500	\$ 428,287,200	\$ 4,852,322,700	0.9640
2022	56,379,900	3,763,330,600	525,854,200	12,921,100	4,358,485,800	424,706,400	4,783,192,200	0.9430
2021	64,393,500	3,697,384,400	523,311,200	12,921,100	4,298,010,200	417,274,828	4,715,285,028	0.9570
2020	65,127,900	3,646,224,400	535,994,600	12,321,100	4,259,668,000	405,645,628	4,665,313,628	0.9590
2019	72,800,000	3,591,719,700	535,289,700	10,201,100	4,210,010,500	395,152,828	4,605,163,328	0.9420
2018	70,768,300	3,546,662,300	540,809,311	9,983,500	4,168,223,411	394,369,228	4,562,592,639	0.9540
2017	77,666,700	3,316,100,000	494,529,500	5,301,000	3,893,597,200	390,037,828	4,283,635,028	0.9910
2016	82,398,900	3,264,430,450	496,908,050	5,301,000	3,849,038,400	381,450,901	4,230,489,301	0.2360
2015	81,794,000	3,207,651,650	501,336,900	5,301,000	3,796,083,550	381,306,101	4,177,389,651	0.9510
2014	83,046,000	3,072,774,600	503,958,200	5,289,100	3,665,067,900	380,220,251	4,045,288,151	0.9510

**SOUTHERN REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS**

SURF CITY

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	TOTAL ASSESSED VALUE	TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE
2023	\$ 36,565,800	\$ 1,909,174,900	\$ 77,433,500	\$ 2,023,174,200	\$ 63,009,400	916,900	\$ 2,087,100,500	0.3160
2022	37,061,700	1,872,394,100	82,435,900	1,991,891,700	64,455,800	916,904	2,057,264,404	0.3350
2021	33,053,600	1,853,669,500	82,576,400	1,969,299,500	63,355,600	916,904	2,033,572,004	0.2820
2020	26,852,000	1,836,211,100	82,587,100	1,945,650,200	63,525,500	916,904	2,010,092,604	0.2570
2019	38,486,500	1,803,572,700	82,876,900	1,924,936,100	63,547,500	817,895	1,989,301,495	0.2500
2018	16,654,900	1,503,368,695	76,744,795	1,596,768,390	50,437,900	-	1,647,206,290	0.3020
2017	18,006,800	1,485,102,800	76,553,120	1,579,662,720	50,404,100	-	1,630,066,820	0.3120
2016	27,681,500	1,460,346,700	78,219,977	1,566,248,177	50,197,700	-	1,616,445,877	0.3010
2015	27,429,100	1,448,886,900	80,490,500	1,556,806,500	50,197,700	-	1,607,004,200	0.2740
2014	26,178,900	1,441,394,000	79,948,100	1,547,521,000	50,197,700	-	1,597,718,700	0.2800

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			TOTAL DIRECT	OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE	
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL		TOWNSHIP OF BARNEGAT LIGHT		OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE		
					0.0440	0.1550			0.1990		0.2560
2023	0.0440	0.1550	0.1990	0.2560	0.3840	0.0370	0.0150	0.8910	0.8910		
2022	0.0440	0.1360	0.1800	0.2510	0.3480	0.0350	0.0130	0.8270	0.8270		
2021	0.0450	0.2040	0.2490	0.2460	0.3440	0.0380	0.0130	0.8900	0.8900		
2020	0.0470	0.2140	0.2610	0.2410	0.3500	0.0390	0.0120	0.9030	0.9030		
2019	0.0470	0.1860	0.2330	0.2360	0.3500	0.0390	0.0120	0.8700	0.8700		
2018	0.0460	0.1890	0.2350	0.2260	0.3440	0.0380	0.0120	0.8550	0.8550		
2017	0.0460	0.1890	0.2350	0.2260	0.3440	0.0380	0.0120	0.8550	0.8550		
2016	0.0460	0.2030	0.2490	0.2270	0.3570	0.0390	0.0130	0.8850	0.8850		
2015	0.0440	0.1830	0.2270	0.2220	0.3620	0.0390	0.0120	0.8620	0.8620		
2014	0.0380	0.1620	0.2000	0.2220	0.3570	0.0390	0.0130	0.8310	0.8310		

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			TOTAL DIRECT	OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE	
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL		BOROUGH OF BEACH HAVEN		OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE		
					0.0980	0.2090			0.3070		0.4410
2023	0.0980	0.2090	0.3070	0.4410	0.4450	N/A	0.0180	1.2110	1.2110		
2022	0.0970	0.2010	0.2980	0.4240	0.3880	N/A	0.0150	1.1250	1.1250		
2021	0.0960	0.1980	0.2940	0.4200	0.3700	N/A	0.0130	1.0970	1.0970		
2020	0.0960	0.2310	0.3270	0.3730	0.3710	N/A	0.0140	1.1210	1.1210		
2019	0.0970	0.2050	0.3020	0.4080	0.3660	N/A	0.0130	1.0890	1.0890		
2018	0.0960	0.2600	0.3560	0.4060	0.3520	N/A	0.0130	1.1270	1.1270		
2017	0.0960	0.2600	0.3560	0.4060	0.3520	N/A	0.0130	1.1270	1.1270		
2016	0.0880	0.2180	0.3060	0.4060	0.3520	N/A	0.0120	1.0760	1.0760		
2015	0.1080	0.3010	0.4090	0.4340	0.4290	N/A	0.0140	1.2860	1.2860		
2014	0.1020	0.2790	0.3810	0.4510	0.4220	N/A	0.0150	1.2690	1.2690		

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			BOROUGH OF					OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	HARVEY CEDARS	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	COUNTY LIBRARY	COUNTY OPEN SPACE	COUNTY LIBRARY	COUNTY OPEN SPACE		
2023	0.0440	0.1920	0.2360	0.3050	0.3890	0.0370	0.0160	0.3890	0.0370	0.0160	0.9830		
2022	0.0440	0.2420	0.2860	0.2830	0.3500	0.0350	0.0130	0.3500	0.0350	0.0130	0.9670		
2021	0.0440	0.2320	0.2760	0.2830	0.3330	0.0360	0.0120	0.3330	0.0360	0.0120	0.9400		
2020	0.0450	0.2220	0.2670	0.2770	0.3350	0.0370	0.0120	0.3350	0.0370	0.0120	0.9280		
2019	0.0460	0.2130	0.2590	0.2660	0.3410	0.0380	0.0120	0.3410	0.0380	0.0120	0.9160		
2018	0.0470	0.2260	0.2730	0.2660	0.3480	0.0380	0.0120	0.3480	0.0380	0.0120	0.9370		
2017	0.0460	0.2360	0.2820	0.2660	0.3550	0.0380	0.0130	0.3550	0.0380	0.0130	0.9540		
2016	0.0440	0.2780	0.3220	0.2510	0.3660	0.0400	0.0120	0.3660	0.0400	0.0120	0.9910		
2015	0.0380	0.2920	0.3300	0.2510	0.3570	0.0390	0.0120	0.3570	0.0390	0.0120	0.9890		
2014	0.0440	0.2580	0.3020	0.2440	0.3490	0.0390	0.0120	0.3490	0.0390	0.0120	0.9460		

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			TOWNSHIP OF					OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	LONG BEACH	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	COUNTY LIBRARY	COUNTY OPEN SPACE	COUNTY LIBRARY	COUNTY OPEN SPACE		
2023	0.0420	0.2100	0.2520	0.2130	0.3720	0.0350	0.0150	0.3720	0.0350	0.0150	0.8870		
2022	0.0420	0.2090	0.2510	0.2090	0.3280	0.0320	0.0120	0.3280	0.0320	0.0120	0.8320		
2021	0.0410	0.2000	0.2410	0.2050	0.3140	0.0350	0.0110	0.3140	0.0350	0.0110	0.8060		
2020	0.0510	0.2500	0.3010	0.2540	0.3830	0.0420	0.0140	0.3830	0.0420	0.0140	0.9940		
2019	0.0510	0.2640	0.3150	0.2540	0.3790	0.0420	0.0130	0.3790	0.0420	0.0130	1.0030		
2018	0.0500	0.2410	0.2910	0.2500	0.3780	0.0410	0.0130	0.3780	0.0410	0.0130	0.9730		
2017	0.0480	0.2610	0.3090	0.2360	0.3790	0.0410	0.0130	0.3790	0.0410	0.0130	0.9780		
2016	0.0470	0.2650	0.3120	0.2320	0.3870	0.0420	0.0130	0.3870	0.0420	0.0130	0.9860		
2015	0.0410	0.2750	0.3160	0.2320	0.3820	0.0410	0.0140	0.3820	0.0410	0.0140	0.9850		
2014	0.0460	0.2610	0.3070	0.2280	0.3710	0.0410	0.0140	0.3710	0.0410	0.0140	0.9700		

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT	OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL		BOROUGH OF SHIP BOTTOM	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2023	0.0480	0.2300	0.2780	0.3850	0.4280	0.0410	0.0170	1.1490
2022	0.0490	0.2000	0.2490	0.3750	0.3830	0.0380	0.0140	1.0590
2021	0.0480	0.2190	0.2670	0.3650	0.3690	0.0400	0.0130	1.0540
2020	0.0490	0.2250	0.2740	0.3590	0.3700	0.0410	0.0130	1.0570
2019	0.0480	0.2400	0.2880	0.3540	0.3630	0.0400	0.0130	1.0580
2018	0.0480	0.2530	0.3010	0.3440	0.3620	0.0400	0.0130	1.0600
2017	0.0440	0.2080	0.2520	0.3400	0.3490	0.0380	0.0120	0.9910
2016	0.0470	0.2180	0.2650	0.3930	0.3930	0.0430	0.0130	1.1070
2015	0.0410	0.2060	0.2470	0.3930	0.3850	0.0420	0.0130	1.0800
2014	0.0480	0.2120	0.2600	0.3740	0.3880	0.0430	0.0140	1.0660

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT	OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL		TOWNSHIP OF STAFFORD	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2023	0.7310	0.2330	0.9640	0.9580	0.4510	0.0430	0.0180	2.4590
2022	0.7180	0.2250	0.9430	0.9290	0.4060	0.0400	0.0150	2.3540
2021	0.7160	0.2410	0.9570	0.9110	0.3800	0.0410	0.0140	2.3220
2020	0.7160	0.2430	0.9590	0.9110	0.3800	0.0420	0.0140	2.3250
2019	0.7140	0.2280	0.9420	0.9040	0.3740	0.0410	0.0130	2.2920
2018	0.7140	0.2400	0.9540	0.8980	0.3600	0.0390	0.0130	2.2780
2017	0.7520	0.2390	0.9910	0.9110	0.3820	0.0410	0.0130	2.3530
2016	0.7520	0.2360	0.9880	0.8950	0.3770	0.0410	0.0130	2.3290
2015	0.7280	0.2230	0.9510	0.8600	0.3610	0.0390	0.0120	2.2470
2014	0.7340	0.2360	0.9700	0.8740	0.3600	0.0410	0.0130	2.2830

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		BOROUGH OF		OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	SURF CITY	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2023	0.0450	0.2710	0.3160	0.2350	0.4000	0.0380	0.0160	1.0050
2022	0.0450	0.2900	0.3350	0.2390	0.3570	0.0350	0.0140	0.9800
2021	0.0440	0.2380	0.2820	0.2390	0.3330	0.0360	0.0120	0.9020
2020	0.0440	0.2130	0.2570	0.2390	0.3280	0.0370	0.0120	0.8730
2019	0.0440	0.2060	0.2500	0.2390	0.3330	0.0370	0.0120	0.8710
2018	0.0510	0.2510	0.3020	0.2790	0.3800	0.0410	0.0130	1.0150
2017	0.0490	0.2630	0.3120	0.2720	0.3880	0.0420	0.0140	1.0280
2016	0.0460	0.2550	0.3010	0.2670	0.3810	0.0410	0.0130	1.0030
2015	0.0400	0.2340	0.2740	0.2600	0.3740	0.0410	0.0130	0.9620
2014	0.0460	0.2340	0.2800	0.2520	0.3700	0.0420	0.0130	0.9510

Source: Municipal Tax Collector

**SOUTHERN REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS PRIOR**

BARNEGAT LIGHT

NOT AVAILABLE

BEACH HAVEN

NOT AVAILABLE

HARVEY CEDARS

NOT AVAILABLE

LONG BEACH TOWNSHIP

NOT AVAILABLE

SHIP BOTTOM

NOT AVAILABLE

STAFFORD TOWNSHIP

NOT AVAILABLE

SURF CITY

NOT AVAILABLE

**SOUTHERN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
BARNEGAT LIGHT**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	\$ 8,746,310	\$ 8,686,176	99.31%	N/A
2021	9,244,926	9,184,926	99.35%	\$ 31,690
2020	9,236,070	9,176,773	99.36%	33,470
2019	8,870,611	8,790,669	99.10%	20,435
2018	8,645,147	8,597,813	99.45%	N/A
2017	9,011,724	8,872,489	98.45%	N/A
2016	8,721,211	8,582,055	98.40%	N/A
2015	8,321,350	8,132,461	97.73%	N/A
2014	9,033,394	8,989,255	99.51%	36,215

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
BEACH HAVEN**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	\$ 24,230,948	\$ 23,981,484	98.97%	N/A
2021	23,510,180	23,086,684	98.20%	\$ 324,483
2020	23,820,917	23,518,570	98.73%	247,411
2019	23,029,065	22,712,816	98.63%	N/A
2018	23,570,644	23,322,602	98.95%	N/A
2017	22,332,470	22,062,018	98.79%	N/A
2016	22,743,351	22,099,484	97.17%	N/A
2015	21,318,735	21,040,566	98.70%	N/A
2014	20,006,549	19,795,398	98.94%	197,163

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
HARVEY CEDARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	\$ 12,842,280	\$ 12,777,055	99.49%	N/A
2021	12,325,592	12,271,377	99.56%	\$ 47,086
2020	11,995,443	11,949,405	99.62%	31,078
2019	11,785,058	11,641,314	98.78%	N/A
2018	11,895,417	11,759,275	98.86%	N/A
2017	11,973,094	11,833,052	98.83%	N/A
2016	12,509,229	12,258,529	98.00%	N/A
2015	12,285,859	12,207,906	99.37%	N/A
2014	11,712,952	11,650,950	99.47%	\$ 52,154

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
LONG BEACH TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	\$ 88,683,577	\$ 87,987,100	99.21%	N/A
2021	84,729,738	84,020,433	99.16%	\$ 479,766
2020	80,369,339	80,084,736	99.65%	594,270
2019	80,673,439	79,938,886	99.09%	714,719
2018	77,420,815	76,685,625	99.05%	787,633
2017	77,264,635	76,713,403	99.29%	N/A
2016	77,331,817	76,585,103	99.03%	556,916
2015	76,436,267	74,569,931	97.56%	N/A
2014	73,776,617	73,107,882	99.09%	620,519

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
SHIP BOTTOM**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	\$ 15,256,091	\$ 15,084,677	98.88%	N/A
2021	15,050,238	14,849,976	98.67%	\$ 48,118
2020	14,626,421	14,528,991	99.33%	190,361
2019	14,509,123	14,257,944	98.27%	141,156
2018	14,138,792	13,973,811	98.83%	N/A
2017	13,147,115	12,960,287	98.58%	N/A
2016	N/A	N/A	N/A	225,644
2015	12,236,660	11,915,533	97.38%	N/A
2014	12,040,990	11,596,059	96.30%	403,195

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
STAFFORD TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	\$ 103,765,552	\$ 103,224,905	99.48%	N/A
2021	100,985,261	100,351,307	99.37%	553,562
2020	99,179,432	99,195,712	100.02%	515,244
2019	97,395,285	96,789,263	99.38%	85,883
2018	95,760,140	95,157,177	99.37%	266,613
2017	92,715,159	91,976,721	99.20%	233,146
2016	90,747,342	89,902,074	99.07%	N/A
2015	86,552,131	85,762,956	99.09%	N/A
2014	84,224,610	83,415,651	99.04%	187,096

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
SURF CITY**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A
2021	\$ 17,891,019	\$ 17,787,104	99.42%	N/A
2020	17,086,731	16,951,067	99.21%	N/A
2019	16,904,326	16,779,310	99.26%	N/A
2018	16,308,619	16,130,081	98.91%	N/A
2017	16,397,493	16,233,244	99.00%	N/A
2016	15,808,132	15,649,897	99.00%	N/A
2015	15,041,725	14,852,747	98.74%	N/A
2014	14,916,049	14,719,626	98.68%	187,096

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES			
2023	\$ -	\$ -	\$ -	N/A	N/A
2022	-	-	-	N/A	N/A
2021	-	-	-	N/A	N/A
2020	-	-	-	N/A	N/A
2019	-	268,011.00	268,011.00		7.64
2018	-	606,881.00	606,881.00	N/A	17.30
2017	-	958,324.00	958,324.00	0.0070%	27.61
2016	1,520,000.00	1,253,258.00	2,773,258.00	0.1669%	80.32
2015	3,085,000.00	1,261,761.00	4,346,761.00	0.2703%	126.63
2014	4,710,000.00	243,424.00	4,953,424.00	0.3248%	145.55

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES			
2023	-	-	-	N/A	N/A
2022	-	-	-	N/A	N/A
2021	-	-	-	N/A	N/A
2020	-	-	-	N/A	N/A
2019	-	268,011.05	-	0.0013%	7.64
2018	-	606,881.27	-	0.0031%	17.30
2017	-	958,324	-	0.0050%	27.61
2016	-	958,324	-	0.0146%	80.32
2015	3,085,000	1,261,761	3,085,000	0.0238%	126.63
2014	4,710,000	243,424	4,710,000	0.0273%	145.55

**SOUTHERN REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
6/30/2023**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Barnegat Light	\$ 1,476,919	100.00%	\$ 1,476,919
Beach Haven	13,787,145	100.00%	13,787,145
Harvey Cedars	2,938,061	100.00%	2,938,061
Long Beach Township	23,220,590	100.00%	23,220,590
Borough of Ship Bottom	13,933,715	100.00%	13,933,715
Stafford Township	66,413,964	100.00%	66,413,964
Stafford Township School District	8,440,000	100.00%	8,440,000
Surf City	3,374,125	100.00%	3,374,125
Ocean County General Obligation Debt	497,859,761	21.66%	107,836,424
Subtotal, Overlapping Debt			241,420,943
Southern Regional School District Direct Debt	-	100.00%	-
Total Direct & Overlapping Debt			<u>\$ 241,420,943</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.

**SOUTHERN REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$1,062,169,763	\$ 945,444,523	\$ 889,675,774	\$ 843,670,544	\$ 794,162,466	\$ 751,746,477	\$ 713,798,531	\$ 698,284,296	\$ 740,128,043	\$ 717,396,739
Total Net Debt Applicable to Limit	-	-	-	-	-	-	1,520,000	4,346,761	4,710,000	6,390,000
Legal Debt Margin	\$1,062,169,763	\$ 945,444,523	\$ 889,675,774	\$ 843,670,544	\$ 794,162,466	\$ 751,746,477	\$ 712,278,531	\$ 693,937,535	\$ 735,418,043	\$ 711,006,739
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	N/A	N/A	N/A	N/A	N/A	N/A	0.21%	0.62%	0.64%	0.89%

Legal Debt Margin Calculation for Fiscal Year 2023

Average Equalized Valuation of Taxable Property	Equalized Valuation Basis
	2023
	\$30,714,629,933
	2022
	\$25,452,323,980
	2021
	\$23,495,778,338
	<u>\$79,662,732,251</u>
	<u>\$26,554,244,084</u>
Debt Limit (4 % of Average Equalization Value)	\$ 1,062,169,763
Net Bonded School Debt	-
Legal Debt Margin	<u>\$ 1,062,169,763</u>

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

**SOUTHERN REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION	PERSONAL INCOME*	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
BARNEGAT LIGHT BOROUGH				
2023	N/A	N/A	N/A	N/A
2022	654	N/A	N/A	4.5%
2021	653	39,717,419	60,823	3.8%
2020	588	33,718,272	57,344	3.5%
2019	585	31,307,445	53,517	2.7%
2018	584	30,207,400	51,725	3.6%
2017	582	29,307,192	50,356	4.5%
2016	578	28,221,428	48,826	6.8%
2015	583	27,556,661	47,267	5.3%
2014	580	26,214,260	45,197	5.3%
BEACH HAVEN BOROUGH				
2023	N/A	N/A	N/A	N/A
2022	1,065	N/A	N/A	4.4%
2021	1,057	64,289,911	60,823	6.5%
2020	1,216	69,730,304	57,344	9.2%
2019	1,202	64,327,434	53,517	4.3%
2018	1,192	61,656,200	51,725	6.2%
2017	1,178	59,319,368	50,356	7.8%
2016	1,172	57,224,072	48,826	7.4%
2015	1,168	55,207,856	47,267	7.8%
2014	1,167	52,744,899	45,197	6.4%
HARVEY CEDARS BOROUGH				
2023	N/A	N/A	N/A	N/A
2022	401	N/A	N/A	2.7%
2021	402	24,450,846	60,823	2.8%
2020	348	19,955,712	57,344	6.0%
2019	345	18,463,365	53,517	2.9%
2018	341	17,638,225	51,725	5.8%
2017	341	17,171,396	50,356	5.8%
2016	340	16,600,840	48,826	9.7%
2015	342	16,165,314	47,267	7.9%
2014	342	15,457,374	45,197	8.7%
LONG BEACH TOWNSHIP				
2023	N/A	N/A	N/A	N/A
2022	3,143	N/A	N/A	4.4%
2021	3,143	191,166,689	60,823	6.2%
2020	3,073	176,218,112	57,344	9.1%
2019	3,076	164,618,292	53,517	4.0%
2018	3,068	158,692,300	51,725	5.9%
2017	3,054	153,787,224	50,356	6.2%
2016	3,044	148,626,344	48,826	6.6%
2015	3,044	143,880,748	47,267	7.3%
2014	3,024	136,675,728	45,197	4.5%

**SOUTHERN REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION	PERSONAL INCOME*	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
SHIP BOTTOM BOROUGH				
2023	N/A	N/A	N/A	N/A
2022	1,115	N/A	N/A	3.1%
2021	1,114	67,756,822	60,823	7.7%
2020	1,168	66,977,792	57,344	8.1%
2019	1,156	61,865,652	53,517	4.0%
2018	1,149	59,432,025	51,725	5.7%
2017	1,141	57,456,196	50,356	6.0%
2016	1,140	55,661,640	48,826	6.6%
2015	1,129	53,364,443	47,267	6.9%
2014	1,126	50,891,822	45,197	6.4%
STAFFORD TOWNSHIP				
2023	N/A	N/A	N/A	N/A
2022	29,881	N/A	N/A	3.8%
2021	29,498	1,794,156,854	60,823	5.9%
2020	28,532	1,636,139,008	57,344	9.4%
2019	27,862	1,491,090,654	53,517	3.7%
2018	27,588	1,426,989,300	51,725	4.9%
2017	27,283	1,373,862,748	50,356	5.3%
2016	27,109	1,323,624,034	48,826	5.9%
2015	26,916	1,272,238,572	47,267	7.1%
2014	26,787	1,210,692,039	45,197	8.1%
SURF CITY BOROUGH				
2023	N/A	N/A	N/A	N/A
2022	1,282	N/A	N/A	3.6%
2021	1,275	77,549,325	60,823	6.1%
2020	1,205	69,099,520	57,344	7.8%
2019	1,197	64,059,849	53,517	4.6%
2018	1,190	61,552,750	51,725	5.3%
2017	1,180	59,420,080	50,356	5.8%
2016	1,174	57,321,724	48,826	6.0%
2015	1,174	55,491,458	47,267	7.1%
2014	1,171	52,925,687	45,197	9.2%

2014-2023 - Data by County and State

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

NOT AVAILABLE

**SOUTHERN REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

Function/Program	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	181	181	180	180	180	175	175	178	178	180
Special Education	100	100	94	94	91	81	68	70	72	72
Support Services:										
Student & Instruction Related Services	64	64	73	73	73	68	49	51	52	52
School Administrative Services	17	17	17	17	22	27	29	29	29	29
General & Business Administrative Services	7	7	7	7	8	12	12	12	12	12
Plant Operations & Maintenance	45	45	45	45	46	41	41	41	41	42
Pupil Transportation	68	62	62	62	62	61	64	64	64	62
Business & Other Support Services	8	9	9	9	8	8	8	8	8	8
Total	490	485	487	487	490	473	446	453	456	457

Source: District Personnel Records

**SOUTHERN REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						MIDDLE SCHOOL	HIGH SCHOOL	SENIOR SCHOOL				
2023	2,758	\$ 71,316,651	\$ 25,858	7.16%	232	N/A	N/A	2,699	2,490	-3.43%	92.26%	
2022	2,811	67,820,783	24,131	8.76%	232	11:1	13:1	2,795	2,580	-1.17%	92.31%	
2021	2,850	63,233,896	22,187	3.56%	235	12:1	13:1	2,828	2,598	-0.32%	91.87%	
2020	2,855	61,166,503	21,424	0.75%	235	12:1	13:1	2,837	2,717	-0.25%	95.77%	
2019	2,857	60,750,905	21,264	-4.14%	229	12:1	13:1	2,844	2,662	-0.11%	93.60%	
2018	2,838	62,952,924	22,182	7.19%	229	13:1	13:1	2,847	2,669	0.14%	93.75%	
2017	2,872	59,433,481	20,694	3.64%	229	13:1	13:1	2,843	2,671	-0.66%	93.95%	
2016	2,877	57,443,985	19,967	7.61%	229	11:1	12:1	2,862	2,695	-2.09%	94.16%	
2015	2,951	54,755,897	18,555	0.28%	232	13:1	13:1	2,923	2,759	-2.47%	94.39%	
2014	2,997	55,454,480	18,503	-1.77%	234	13:1	14:1	2,997	2,830	0.63%	94.43%	

Sources: District records

Note: Enrollment based on annual October district count.

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DISTRICT BUILDINGS											
Middle School (1971, 86):											
Square Feet	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703
Capacity (Students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	903	882	903	932	939	948	948	939	889	990	990
Junior High School: (1950, 56, 65):											
Square Feet	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811
Capacity (Students)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	941	924	970	980	980	1,000	1,000	1,000	1,085	1,058	1,058
Senior High School: (1997, 98):											
Square Feet	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295
Capacity (Students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	854	989	956	925	926	899	899	905	888	949	949
Other Buildings:											
Administration Building (1993):											
Square Feet	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475
Transportation/Maintenance (1996):											
Square Feet	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260
Bus Garage (1965):											
Square Feet	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250
Technology Building (1965)											
Square Feet	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664
Maintenance Building (1965, 80):											
Square Feet	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470
Facilities Office (1975):											
Square Feet	648	648	648	648	648	648	648	648	648	648	648

Number of Schools at June 30, 2023:
 Middle School = 1
 Junior High School = 1
 Senior High School = 1
 Other = 5

Source: District Facilities Office

**SOUTHERN REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

* School Facilities Project Numbers	MIDDLE SCHOOL 4950-060-04-1000	HIGH SCHOOL	ADULT SCHOOL	TOTAL
2023	\$ 739,938	\$ 1,164,559	\$ -	\$ 1,904,497
2022	666,356	1,352,904	-	2,019,260
2021	711,328	1,422,655	\$ -	2,133,983
2020	709,759	1,441,025	-	2,150,784
2019	1,676,805	718,631	-	2,395,436
2018	559,906	1,446,447	-	2,006,353
2017	553,360	1,296,725	-	1,850,085
2016	425,078	996,302	-	1,421,380
2015	424,030	993,896	-	1,417,926
2014	435,777	1,019,676	-	1,455,453
2013	429,485	1,038,574	-	1,468,059

**INSURANCE SCHEDULE
June 2023**

	COVERAGE	DEDUCTIBLE
School Package Policy (School Alliance Insurance Fund):		
Property - Blanket Buildings and Contents	\$ 250,000,000	\$ 1,000
General Liability	250,000,000	1,000
Flood Insurance Coverage	10,000,000	-
Earthquake Coverage	25,000,000	-
Pollution Coverage	1,000,000	-
 Umbrella Liability	 10,000,000	
 School Leaders Liability	 15,000,000	 10,000

Source: District records

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SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Southern Regional School District
County of Ocean
Manahawkin, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Southern Regional School District (the “School District”) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated January 17, 2024.

Internal Control Over Financial Reporting

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

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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 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
January 17, 2024



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Southern Regional School District
County of Ocean
Manahawkin, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Southern Regional School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal and state programs for the fiscal year ended June 30, 2023. The School District’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; 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 Compliance section of our report.

We are required to be independent of the School District and to meet our 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 state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 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 New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
January 17, 2024

SOUTHERN REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2023	
											(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:												
Child Nutrition Cluster:												
COVID-19 School Breakfast Program	10.553	22INJ304N1099	100-010-3350-028	216,040	7/1/21-6/30/22	\$ (10,498)	\$ -	\$ 10,498	\$ -	\$ -	\$ -	\$ -
School Breakfast Program	10.553	23INJ304N1099	100-010-3350-028	51,333	7/1/22-6/30/23	-	-	50,012	(51,333)	-	(1,321)	-
National School Lunch Program	10.555	23INJ304N1099	100-010-3350-026	307,018	7/1/22-6/30/23	(43,526)	-	300,483	(307,018)	-	(6,535)	-
COVID-19 National School Lunch Program	10.555	22INJ304N1099	100-010-3350-026	1,013,883	7/1/21-6/30/22	-	-	43,526	-	-	-	-
COVID-19 Supply Chain Assistance Grant	10.555	23INJ304N1099	100-010-3350-118	140,427	7/1/22-6/30/23	-	-	140,427	(140,427)	-	-	-
Food Distribution Program (Noncash Assistance)	10.555	23INJ304N1099	Unavailable	51,961	7/1/22-6/30/23	-	-	51,961	(50,464)	-	-	1,497
Food Distribution Program (Noncash Assistance)	10.555	22INJ304N1099	Unavailable	48,153	7/1/21-6/30/22	1,219	-	-	(1,219)	-	-	-
Total Child Nutrition Cluster						(52,805)	-	596,907	(550,461)	-	(7,856)	-
Total Enterprise Fund						(52,805)	-	596,907	(550,461)	-	(7,856)	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH STATE DEPARTMENT OF HUMAN SERVICES:												
General Fund:												
Medical Assistance Program (Semi)	93.778	210SNJMAP	100-054-7540-211	39,728	7/1/22-6/30/23	-	-	39,728	(39,728)	-	-	-
FFCRA/SEMI	93.778	210SNJMAP	100-054-7540-211	15,116	1/1/22-12/31/22	-	-	15,116	(15,116)	-	-	-
Total General Fund						-	-	54,844	(54,844)	-	-	-
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION												
Special Revenue Fund:												
Title I - Part A	84.010	S010A210030	100-034-5064-194	389,997	7/1/21-9/30/22	(128,938)	-	128,938	-	-	-	-
Title I - Part A	84.010	S010A220030	100-034-5064-194	428,680	7/1/22-9/30/23	-	-	254,718	(408,382)	-	(153,664)	-
Subtotal						(128,938)	-	383,656	(408,382)	-	(153,664)	-
Title II - Part A	84.367	S367A220029	100-034-5063-290	77,712	7/1/22-9/30/23	-	-	28,315	(77,712)	-	(49,397)	-
Title II - Part A	84.367	S367A210029	100-034-5063-290	78,526	7/1/21-9/30/22	(47,892)	-	47,892	-	-	-	-
Subtotal						(47,892)	-	76,207	(77,712)	-	(49,397)	-
Title IV	84.424	S424A220031	100-034-5069-031	33,434	7/1/22-9/30/23	-	-	28,837	(30,359)	-	(1,522)	-
Subtotal						-	-	28,837	(30,359)	-	(1,522)	-
Education Stabilization Fund:												
COVID-19 ARP ESSER III	84.425U	S425U210027	100-034-5120-523	3,103,641	3/13/20-9/30/24	(2,676,125)	-	1,902,598	(160,707)	-	(934,234)	-
Subtotal						(2,676,125)	-	1,902,598	(160,707)	-	(934,234)	-
COVID-19 CRRSA - ESSER II	84.425D	S425D200027	100-034-5120-518	1,514,594	3/13/20-9/30/23	(406,627)	-	380,473	(90,890)	-	(117,044)	-
COVID-19 CRRSA - ESSER II - Accelerated Learning	84.425D	S425D200027	100-034-5120-518	225,402	3/13/20-9/30/23	(406,627)	-	-	(27,343)	-	(27,343)	-
Subtotal						(813,254)	-	380,473	(118,233)	-	(144,387)	-
Total Education Stabilization Fund:						(3,082,752)	-	2,283,071	(278,940)	-	(1,078,621)	-
Special Education Cluster:												
L.D.E.A. Part B, Basic Regular	84.027A	H027A220100	100-034-5065-016	614,049	7/1/22-9/30/23	-	-	487,253	(613,874)	-	(126,621)	-
L.D.E.A. Part B, Basic Regular	84.027A	H027A210100	100-034-5065-016	599,992	7/1/21-9/30/22	(96,260)	-	96,260	-	-	-	-
Subtotal						(96,260)	-	583,513	(613,874)	-	(126,621)	-
L.D.E.A. Basic - ARP Funds	84.027X	H027X210100	100-034-5065-094	131,412	7/1/21-9/30/22	(17,853)	-	24,513	(6,660)	-	-	-
Subtotal						(17,853)	-	24,513	(6,660)	-	-	-
Total Special Education Cluster						(114,113)	-	608,026	(620,534)	-	(126,621)	-
Total Special Revenue Fund						(3,373,695)	-	3,379,797	(1,415,927)	-	(1,409,825)	-
Total Federal Financial Assistance						\$ (3,426,500)	\$ -	\$ 4,031,548	\$ (2,021,232)	\$ -	\$ (1,417,681)	\$ 1,497

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Southern Regional School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

Note 3. Relationship to Basic Financial Statements

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

**SOUTHERN REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note 3. Relationship to Basic Financial Statements (continued)

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(45,717) for the general fund and \$1,827,142 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 54,844	\$ 17,651,809	\$ 17,706,653
Special Revenue Fund	3,243,069	129,858	3,372,927
Food Service Fund	<u>550,461</u>	<u>16,735</u>	<u>567,196</u>
Total Awards & Financial Assistance	<u>\$ 3,848,374</u>	<u>\$ 17,798,402</u>	<u>\$ 21,646,776</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Southern Regional School District had no loan balances outstanding at June 30, 2023.

**SOUTHERN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued		<u>Unmodified</u>
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	<u> X </u> no
2) Significant deficiency(ies) identified?	_____ yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	_____ yes	<u> X </u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	<u> X </u> no
2) Significant deficiency(ies) identified?	_____ yes	<u> X </u> none reported
Type of auditor's report issued on compliance for major programs		<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	<u> X </u> no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027A	H027A220100	I.D.E.A. Part B, Basic Regular
84.027X	H027X220100	I.D.E.A. Part B, Basic - ARP Funds

Dollar threshold used to determine Type A programs		<u>\$750,000</u>
Auditee qualified as low-risk auditee?	<u> X </u> yes	_____ no

**SOUTHERN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

State Financial Assistance

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? X yes no

Internal control over major programs:

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

 2) Significant deficiency(ies) identified? yes X no

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

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-2150-014	Transportation Aid
495-034-5120-044	Extraordinary Aid
495-034-5120-089	State Public Aid:
495-034-5120-084	Special Education Categorical Aid
	Security Aid

**SOUTHERN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings – N/A

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey.

**SOUTHERN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section III – Federal Awards & State Financial Assistance Findings & 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 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 New Jersey OMB's Circular 15-08.

FEDERAL AWARDS – N/A

STATE FINANCIAL ASSISTANCE – N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding 2022-001:

Condition:

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Current Status:

Determined to be immaterial for the current year under audit.

Federal Awards

Finding 2022-001:

Condition:

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Current Status:

Determined to be immaterial for the current year under audit.

State Financial Assistance – N/A