

**HIGH POINT REGIONAL
HIGH SCHOOL DISTRICT**

**High Point Regional High School District
Sussex, New Jersey**

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

**Annual Comprehensive
Financial Report**

of the

**High Point Regional
High School District**

Sussex, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

**High Point Regional High School
For the Fiscal Year Ended June 30, 2023**

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal	1
Organizational Chart.....	4
Roster of Officials	5
Consultants and Advisors	6

FINANCIAL SECTION

Independent Auditors’ Report	8
------------------------------------	---

Required Supplementary Information	11
Management’s Discussion and Analysis.....	12

Basic Financial Statements (Sections A. and B.).....	20
--	----

A. District-Wide Financial Statements	21
A-1 Statement of Net Position.....	22
A-2 Statement of Activities	24

B. Fund Financial Statements	26
B-1 Balance Sheet – Governmental Funds.....	27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds	29
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
B-4 Statement of Net Position – Proprietary Funds	31
B-5 Statement of Revenue, Expenses and Changes in Net Position – Proprietary Funds.....	32
B-6 Statement of Cash Flows – Proprietary Funds	33

Notes to the Basic Financial Statements.....	35
--	----

Required Supplementary Information.....

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pension	77
L-1 Schedule of District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System.....	77
L-2 Schedule of District Contributions – Public Employees Retirement System.....	78
L-3 Schedule of State’s Proportionate Share of the Net Pension Liability Associated with the District– Teachers’ Pension and Annuity Fund.....	79
L-4 Schedule of State Contributions – Teachers’ Pension and Annuity Fund.....	80
L-5 Schedule of Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios	81
Notes to Required Supplementary Information	82

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

FINANCIAL SECTION (Cont'd)

C.	Budgetary Comparison Schedules	84
C-1	Budgetary Comparison Schedule – General Fund	85
C-2	Budgetary Comparison Schedule – Budgetary Basis - Special Revenue Fund.....	96
C-3	Budgetary Comparison Schedule – Note to RSI	98
Other Supplementary Schedules (D.-I.)		
D.	School Level Schedules (Not Applicable)	100
E.	Special Revenue Fund.....	101
E-1	Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis	102
E-2	Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)	
F.	Capital Projects Fund	106
F-1	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	107
F-1a	Schedule of Project Revenues, Expenditures, Project Balance and Project Status HVAC Upgrades – Budgetary Basis	108
G.	Proprietary Funds	109
	Enterprise Funds:	
G-1	Combining Statement of Net Position.....	110
G-2	Combining Statement of Revenue, Expenses and Changes in Net Position	112
G-3	Combining Statement of Cash Flows	114
H.	Fiduciary Activities (Not Applicable).....	116
I.	Long-Term Liabilities	117
I-1	Schedule of Serial Bonds (Not Applicable)	118
I-2	Schedule of Obligations Under Financed Purchases	119
I-3	Schedule of Obligations Under Leases (Not Applicable)	120
I-4	Schedule of Obligations Under Subscription-Based Information Information Technology Arrangements (Not Applicable).....	121
I-5	Debt Service Fund Budgetary Comparison Schedule (Not Applicable)	122
J.	STATISTICAL SECTION (Unaudited).....	123
J-1	Net Position by Component	124
J-2	Changes in Net Position	125
J-3	Fund Balances – Governmental Funds.....	127
J-4	Changes in Fund Balances – Governmental Funds.....	128
J-5	General Fund Other Local Revenue by Source	130
J-6	Assessed Value and Actual Value of Taxable Property	131
J-7	Direct and Overlapping Property Tax Rates	133
J-8	Principal Property Taxpayers	136
J-9	Property Tax Levies and Collections	139
J-10	Ratios of Outstanding Debt by Type	141
J-11	Ratios of Net General Bonded Debt Outstanding	142
J-12	Ratios of Overlapping Governmental Activities Debt	143

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

STATISTICAL SECTION (Unaudited) (Cont'd)	
J-13	Legal Debt Margin Information 144
J-14	Demographic and Economic Statistics 145
J-15	Principal Employers 148
J-16	Full-Time Equivalent District Employees by Function/Program..... 149
J-17	Operating Statistics..... 150
J-18	School Building Information..... 151
J-19	Schedule of Required Maintenance for School Facilities 152
J-20	Insurance Schedule..... 153
K.	SINGLE AUDIT SECTION 154
K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> 155
K-2	Report on Compliance for Each Major Federal and State Program; Report on Internal Control over Compliance Required by the Uniform Guidance and NJOMB 15-08 157
K-3	Schedule of Expenditures of Federal Awards 160
K-4	Schedule of Expenditures of State Awards 162
K-5	Notes to the Schedules of Expenditures of Federal and State Awards..... 163
K-6	Schedule of Findings and Questioned Costs 165
K-7	Summary Schedule of Prior Audit Findings 167

INTRODUCTORY SECTION
(UNAUDITED)

HIGH POINT REGIONAL HIGH SCHOOL

299 PIDGEON HILL ROAD SUSSEX, NJ 07461-2733

www.hpregional.org

Scott D. Ripley
Superintendent
Phone 973-875-3170
sripley@hpregional.org

James Minkewicz
Business Administrator/Board Secretary
Phone 973-875-7205
jminkewicz@hpregional.org

October 24, 2023

The Honorable President and Members of
The Board of Education of
High Point Regional High School District
Sussex, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, financial trends and fiscal capacity, generally presented on a multi-year basis. The 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*; and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The High Point Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The High Point Regional High School constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12 for the students residing in the Borough of Branchville, Township of Frankford, Township of Lafayette, Borough of Sussex, Township of Wantage, and Township of Montague. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2022-2023 fiscal year with an average daily enrollment of 783 students, which is a decrease of 18 students from the previous year's average daily enrollment.

2) ECONOMIC CONDITION AND OUTLOOK: The communities comprising the High Point Regional High School District continue to reflect the economic condition experienced by the county over the past several years. Our student population is reflective of a community in which population numbers have steadily declined over the past decade.

The High Point Regional High School District currently covers 123.45 square miles and occupies 23.4% of northern Sussex County New Jersey. The grade 9-12 high school and adjacent administrative offices are housed in Wantage Township.

The District is governed by a nine member Board of Education which was formed in December 1963; members are elected to serve three year terms. The school building opened for students in grades 9-12 in September 1966. High Point Regional High School has completed two building additions in 1975 and 1991.

3) MAJOR INITIATIVES: High Point Regional High School continues to focus on improving school climate so as to foster overall wellness for both students and staff. Our partnership with CASEL and the implementation of their social and emotional learning (SEL) framework continues to prioritize staff and student wellness. Through this framework, monthly staff meetings commence with reflection activities designed to build relationships and to increase empathy and respect. Similar to monthly staff activities designed to increase SEL, student leaders are guiding their peers through a schoolwide SEL activity each month. These peer-to-peer presentations focus on topics such as self-awareness, respect and self-care.

High Point Regional High School has made a sizable investment toward increasing student support services for the 2023-24 school year. The District has hired three new counselors, revamped and reopened our student center (Room 120), and launched a data-driven platform for tracking risk factors and interventions (Branching Minds). These efforts are being anchored by a revamped Multi-Tiered System of Supports (MTSS) team which meets regularly to analyze data and staff referrals, develop intervention plans and conduct progress monitoring.

During the 2023-24 school year, High Point's administration will employ a new collaborative process for visiting classrooms and increasing the faculty's focus on highly-effective instructional practices. This system of walkthroughs commenced with a teacher and administrator workshop in August and the collaboration focuses on the work of researcher John Hattie, as explained in his seminal work, *Visible Learning*.

As High Point works to employ research-based, 21st century pedagogical practices, we are also increasingly focused on ensuring that all students are successful. Our staff is participating in a cross-curricular professional learning series (Up the Bar) that is primarily designed to support multilingual students (ML's), but also intended to increase teacher capacity to address different learning styles and abilities. High Point has also been awarded a grant through the New Jersey Inclusion Project which will provide teacher training to enhance inclusive teaching practices.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. 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 canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2023.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on J-20.

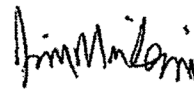
9) OTHER INFORMATION: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

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

Respectfully submitted,

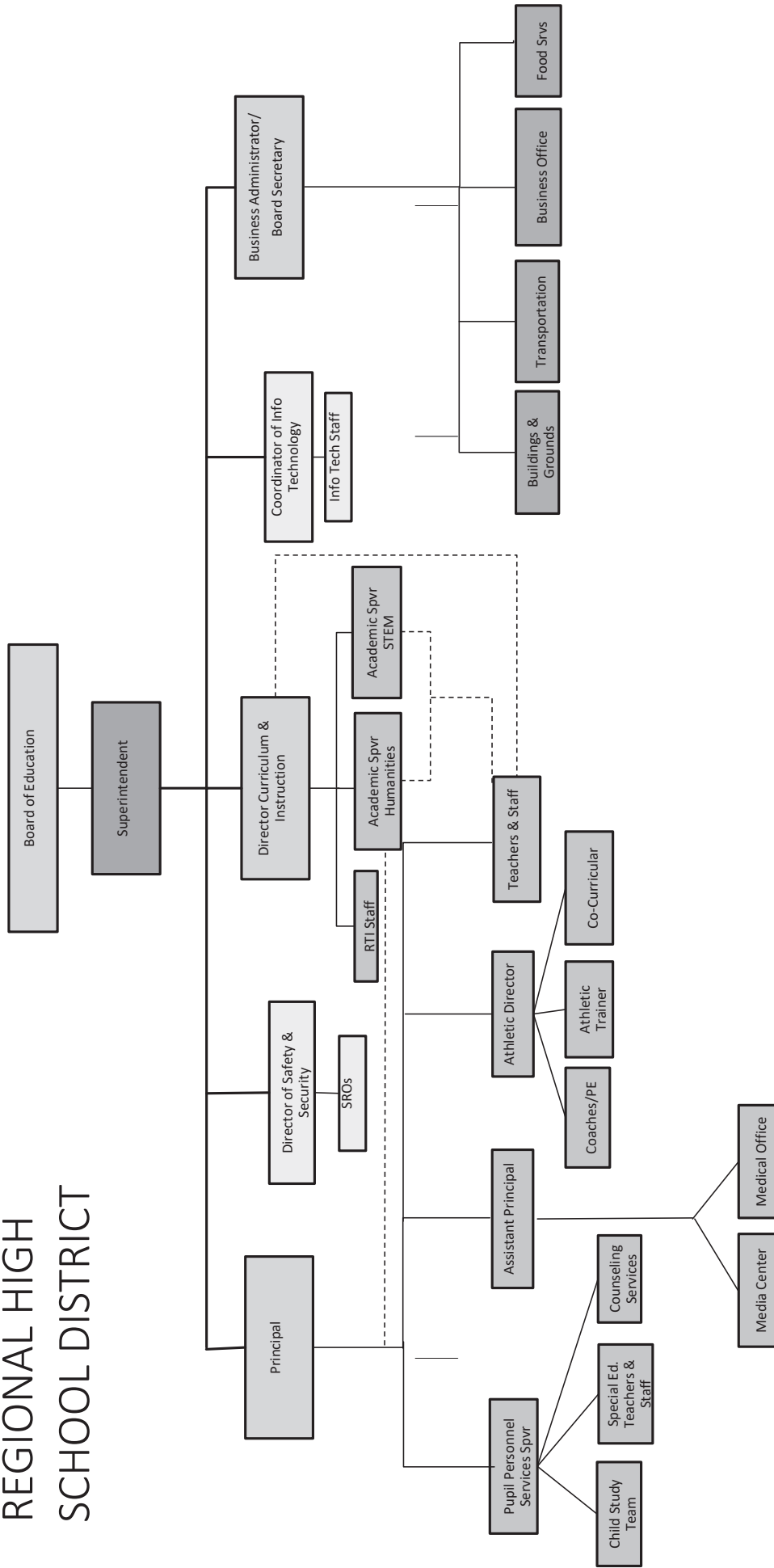


Scott D. Ripley
Superintendent and Chief School Administrator



Jim Minkewicz
Business Administrator/Board Secretary

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT



**HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
 ROSTER OF OFFICIALS
 JUNE 30, 2023**

<u>Members of the Board of Education</u>		<u>Term Expires</u>
Wayne Dunn, President	Wantage Township	12/2023
Gayle Tidona, Vice President	Frankford Township	12/2024
Joseph Conforth	Lafayette Township	12/2024
Joseph Corazza	Frankford Township	12/2023
Jill Ireland	Branchville Township	12/2024
Richard Klien	Borough of Sussex	12/2023
Allison Orsi	Wantage Township	12/2025
Tina Palecek	Wantage Township	12/2025
Elisabeth Schuman	Wantage Township	12/2025

Other Officers

Scott D. Ripley	Superintendent / Chief School Administrator
James Minkewicz	Business Administrator/Board Secretary
Ernest Turner	Treasurer

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, NJ 07856
and
Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860
and
1140 Route 22 East, Suite 203
Bridgewater, New Jersey 08807

Attorney

Busch Law Group LLC
450 Main Street
Metuchen, NJ 08840

Official Depository

Provident Bank
399 Route 23
Franklin, NJ 07416

Architect

EI Associates
8 Ridgedale Avenue
Cedar Knolls, NJ 07927

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
High Point Regional School District
County of Sussex, NJ

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the High Point Regional High School District (the "District"), in the County of Sussex, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are 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 District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 accompanying supplementary information schedules and the schedules of expenditures of federal and state awards 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 our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control over financial reporting and compliance.

October 24, 2023
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

This section of High Point Regional High School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the entire District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what remains for future spending. The fund financial statements present all funds of the District. The General Fund is by far the most significant fund.

Overview of the Financial Statements

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

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District’s operations in *more* detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food service, adult school, school store and transportation services.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

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

**Figure A-1
Organization of School District’s Financial Report**

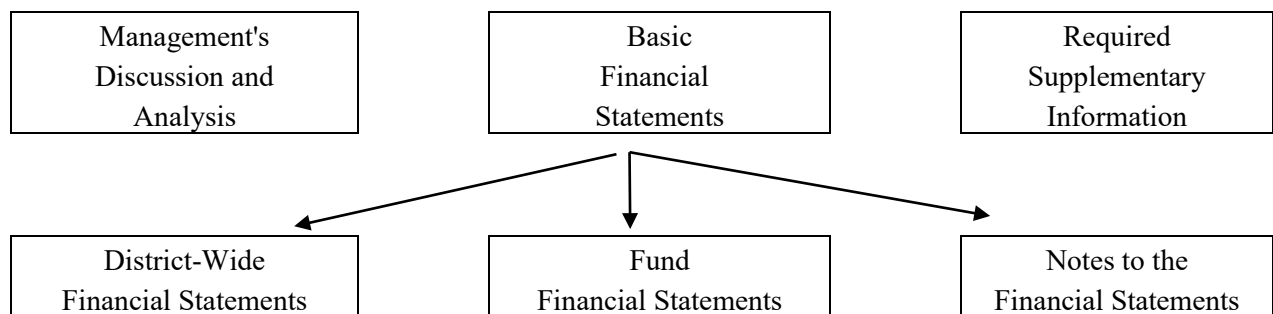


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, adult school, school store and transportation services
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

In the district-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service, adult school, school store and transportation services are included here.

Fund Financial Statements

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for its other programs and activities. The District does not utilize internal service funds.

Notes to the Basic Financial Statements: The notes provide information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a school’s financial position.

The District’s financial position is the product of financial transactions including the net results of activities, the acquisition of capital assets, and the depreciation of capital assets.

Figure A-3
Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2022/2023	(Restated) 2021/2022	2022/2023	(Restated) 2021/2022	2022/2023	(Restated) 2021/2022	
Current and							
Other Assets	\$ 4,685,138	\$ 4,515,368	\$ 595,246	\$ 528,249	\$ 5,280,384	\$ 5,043,617	
Capital Assets, Net	3,756,975	3,875,292	180,045	208,222	3,937,020	4,083,514	
Total Assets	8,442,113	8,390,660	775,291	736,471	9,217,404	9,127,131	0.98%
Deferred Outflows of Resources	549,358	390,686			549,358	390,686	28.88%
Other Liabilities	484,019	409,627	37,077	3,690	521,096	413,317	
Long-term Liabilities	5,219,945	4,564,371		20,725	5,219,945	4,585,096	
Total Liabilities	5,703,964	4,973,998	37,077	24,415	5,741,041	4,998,413	12.94%
Deferred Inflows of Resources	1,177,622	2,751,643			1,177,622	2,751,643	-133.66%
Net Investment							
in Capital Assets	3,293,783	3,315,256	180,045	187,497	3,473,828	3,502,753	
Restricted	4,067,331	3,172,844			4,067,331	3,172,844	
Unrestricted/(Deficit)	(5,251,229)	(5,432,395)	558,169	524,559	(4,693,060)	(4,907,836)	
Total Net Position	\$ 2,109,885	\$ 1,055,705	\$ 738,214	\$ 712,056	\$ 2,848,099	\$ 1,767,761	37.93%

Changes in Net Position. The District’s combined net position was \$2,848,099 on June 30, 2023, \$1,080,338 more than it was the year before. (See Figure A-3). The net position of the governmental activities and business-type activities increased \$1,054,180 and increased \$26,158 respectively (See Figure A-4).

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		% Change
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	
Revenue:							
Program Revenue:							
Charges for Services	\$ 937,154	\$ 1,081,788	\$ 1,880,323	\$ 1,332,674	\$ 2,817,477	\$ 2,414,462	
Operating Grants & Contributions	7,088,821	9,534,286	164,527	340,453	7,253,348	9,874,739	
General Revenue:							
Property Taxes	17,242,428	16,904,342			17,242,428	16,904,342	
Other	91,007	28,798	127	48	91,134	28,846	
Total Revenue	25,359,410	27,549,214	2,044,977	1,673,175	27,404,387	29,222,389	-6.63%
Expenses:							
Instruction	13,125,005	15,008,409			13,125,005	15,008,409	
Pupil and Instruction Services	4,827,299	4,604,842			4,827,299	4,604,842	
Administrative and Business	1,626,619	1,620,999			1,626,619	1,620,999	
Maintenance and Operations	2,117,477	1,991,504			2,117,477	1,991,504	
Transportation	2,608,830	2,244,435			2,608,830	2,244,435	
Other			2,018,819	1,486,852	2,018,819	1,486,852	
Total Expenses	24,305,230	25,470,189	2,018,819	1,486,852	26,324,049	26,957,041	-2.40%
Transfers		(41,367)		41,367			
		(41,367)		41,367			
Increase in Net Position	\$ 1,054,180	\$ 2,037,658	\$ 26,158	\$ 227,690	\$ 1,080,338	\$ 2,265,348	-109.69%

Governmental Activities

The financial position of the District is improving significantly. However, maintaining existing programs with a decreasing regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils has placed great demands on the District’s resources.

Careful management of expenses remains essential for the District to sustain its financial health. The significant cost savings action implemented during the year was:

- Increased use of federal funds for tuition and related service costs.

Figure A-5 presents the cost of five major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations and transportation. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).

The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Figure A-5
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2022/2023	2021/2022	2022/2023	2021/2022
Instruction	\$ 13,125,005	\$15,008,409	\$ 6,249,821	\$ 5,659,584
Pupil and Instruction Services	4,827,299	4,604,842	4,541,564	4,334,464
Administrative and Business	1,626,619	1,620,999	1,520,967	1,441,932
Maintenance and Operations	2,117,477	1,991,504	2,117,477	1,934,154
Transportation	2,608,830	2,244,435	1,849,426	1,483,981
	<u>\$ 24,305,230</u>	<u>\$ 25,470,189</u>	<u>\$ 16,279,255</u>	<u>\$ 14,854,115</u>

Business-Type Activities

Net position from the District's business-type activities increased by \$26,158. (Refer to Figure A-4). The increase is mainly due to the increase in lunch sales and satellite sales for Montague School District.

Financial Analysis of the District's Funds

To maintain a stable financial position, the District must continue to practice sound fiscal management, including but not limited to cost containment practices, seeking out all available efficiencies and a continual evaluation of all offered services and programs.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were made up of changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Long-term Liabilities

Figure A-6

Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Percentage Change
	(Restated)		(Restated)		(Restated)		
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	
Land	\$ 50,000	\$ 50,000			\$ 50,000	\$ 50,000	
Construction in Progress	109,510				109,510		
Land Improvements	172,634	205,525			172,634	205,525	
Buildings, and Building and Site Improvements	3,080,095	3,269,312			3,080,095	3,269,312	
Furniture, Machinery, and Equipment	344,736	350,455	\$ 180,045	\$ 208,222	524,781	558,677	
Total Capital Assets - (Net of Depreciation)	<u>\$ 3,756,975</u>	<u>\$ 3,875,292</u>	<u>\$ 180,045</u>	<u>\$ 208,222</u>	<u>\$ 3,937,020</u>	<u>\$ 4,083,514</u>	3.72%

During the year the District made capital purchases of \$177,079 and disposed assets with a carrying value of \$6,090. The depreciation factored into the governmental-type activities totaled \$289,306 and into the business-type activities totaled \$28,177. (More detailed information about the District's capital assets is presented in Note 6 to the financial statements.)

Long-term Liabilities

At year-end, the District had no general obligation bonds outstanding at year end as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 8 to the financial statements.)

Figure A-7

Outstanding Long-Term Liabilities

	Total School District		Percentage Change
	2022/2023	2021/2022	
Financed Purchases Payable	\$ 463,192	\$ 580,761	
Net Pension Liability	3,925,715	3,065,015	
Other Long Term Liabilities	831,038	939,320	
	<u>\$ 5,219,945</u>	<u>\$ 4,585,096</u>	12.16%

Factors Bearing on the District's Future Revenue/Expense Changes

- The most significant factor bearing on the District's future is the continuation of the state aid reductions, which is anticipated through fiscal 2024. This seven-year reduction has had a negative impact on our ability to sufficiently address necessary buildings and grounds infrastructure updates, academic programmatic needs based upon the impact of COVID and necessity of investing in social and emotional learning and student and staff wellness, and security measures.
- Reserve accounts remain sufficiently robust, but must be considered as emergency accounts, as our ability to replenish is questionable, at best. It is anticipated that the tax levy shall rise at the 2% cap limit each year, for the foreseeable future. However, overall general fund budgets continue to drop significantly, indicating fiscal responsibility, necessitated, however, by diminishing enrollment and state resource allocations.
- The District has a long-term send-receive relationship with Montague, thereby, ensuring continued revenue resources, as well as enhanced student enrollment numbers.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, High Point Regional High School District, 299 Pidgeon Hill Road, Sussex, New Jersey.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,762,360	\$ 451,628	\$ 2,213,988
Receivables from Federal Government	11,319	4,109	15,428
Receivables from State Government	421,533	144	421,677
Receivables from Other Governments	260,494	209,899	470,393
Tax Levy Receivable	44,585		44,585
Internal Balances	76,211	(76,211)	
Other Receivables	765		765
Inventory		5,677	5,677
Restricted Cash and Cash Equivalents	2,107,871		2,107,871
Capital Assets:			
Land and Construction in Progress	159,510		159,510
Depreciable Buildings and Building Improvements, Site and Land Improvements, Furniture, Machinery and Equipment	3,597,465	180,045	3,777,510
Total Assets	<u>8,442,113</u>	<u>775,291</u>	<u>9,217,404</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflows - Pension	549,358		549,358
Total Deferred Outflows of Resources	<u>549,358</u>		<u>549,358</u>
LIABILITIES			
Accounts Payable	478,957	24,042	502,999
Unearned Revenue	5,062	13,035	18,097
Noncurrent Liabilities:			
Due Within One Year	99,001		99,001
Due Beyond One Year	5,120,944		5,120,944
Total Liabilities	<u>5,703,964</u>	<u>37,077</u>	<u>5,741,041</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows - Pensions	1,177,622		1,177,622
Total Deferred Inflows of Resources	<u>1,177,622</u>		<u>1,177,622</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
NET POSITION			
Net Investment in Capital Assets	\$ 3,293,783	\$ 180,045	\$ 3,473,828
Restricted for:			
Capital Reserve	1,823,126		1,823,126
Maintenance Reserve	157,140		157,140
Excess Surplus	1,959,460		1,959,460
Scholarships	8,766		8,766
Student Activities	118,839		118,839
Unrestricted/(Deficit)	<u>(5,251,229)</u>	<u>558,169</u>	<u>(4,693,060)</u>
Total Net Position	<u>\$ 2,109,885</u>	<u>\$ 738,214</u>	<u>\$ 2,848,099</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities:						
Instruction:						
Regular	\$ 9,452,587	\$ 937,154	\$ 4,188,434	\$ (4,326,999)		\$ (4,326,999)
Special Education	2,477,642		1,737,192	(740,450)		(740,450)
School-Sponsored/Other Instruction	1,194,776		12,404	(1,182,372)		(1,182,372)
Support services:						
Tuition	1,969,940			(1,969,940)		(1,969,940)
Student & Instruction Related Services	2,857,359		285,735	(2,571,624)		(2,571,624)
General Administrative Services	544,200			(544,200)		(544,200)
School Administrative Services	706,064		105,652	(600,412)		(600,412)
Central Services	374,956			(374,956)		(374,956)
Administrative Technology Information	1,399			(1,399)		(1,399)
Plant Operations and Maintenance	2,117,477			(2,117,477)		(2,117,477)
Pupil Transportation	2,608,830		759,404	(1,849,426)		(1,849,426)
Total Governmental Activities	24,305,230	937,154	7,088,821	(16,279,255)	\$ -0-	(16,279,255)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenue		Net (Expense) Revenue and Changes in Net Positions		
	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<u>Business Type Activities:</u>					
Food Service	\$ 518,582	\$ 164,527	\$ 16,360	\$ 16,360	\$ 16,360
Adult School	3,915	1,312	(2,603)	(2,603)	(2,603)
School Store	14,448	1,813	(12,635)	(12,635)	(12,635)
Transportation Services	1,481,874	1,506,783	24,909	24,909	24,909
Total Business-Type Activities	2,018,819	164,527	26,031	26,031	26,031
Total Primary Government	\$ 26,324,049	\$ 7,253,348	\$ (16,279,255)	26,031	(16,253,224)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, Net			17,242,428		17,242,428
Unrestricted Federal Aid			20,893		20,893
Interest Earnings			2,379	127	2,506
Miscellaneous Income			67,735		67,735
Total General Revenues			17,333,435	127	17,333,562
Change in Net Position			1,054,180	26,158	1,080,338
Net Position - Beginning, Restated			1,055,705	712,056	1,767,761
Net Position - Ending			\$ 2,109,885	\$ 738,214	\$ 2,848,099

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 1,762,360			\$ 1,762,360
Tax Levy Receivable	44,585			44,585
Receivables From Federal Government		\$ 11,319		11,319
Receivables From State Government	421,533			421,533
Receivables From Other Governments	260,494			260,494
Interfund Receivable	192,743			192,743
Other Receivable		765		765
Restricted Cash and Cash Equivalents	1,980,266	127,605		2,107,871
Total Assets	\$ 4,661,981	\$ 139,689	\$ -0-	\$ 4,801,670
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 153,957			\$ 153,957
Interfund Payable		\$ 7,022	\$ 109,510	116,532
Unearned Revenue		5,062		5,062
Total Liabilities	153,957	12,084	109,510	275,551
Fund Balances:				
Restricted for:				
Capital Reserve Account	1,823,126			1,823,126
Maintenance Reserve Account	157,140			157,140
Excess Surplus 2023-2024	1,017,813			1,017,813
Excess Surplus 2024-2025	941,647			941,647
Scholarships		8,766		8,766
Student Activities		118,839		118,839
Assigned to:				
Year-End Encumbrances	312,387			312,387
Unassigned/(Deficit)	255,911		(109,510)	146,401
Total Fund Balances	4,508,024	127,605	(109,510)	4,526,119
Total Liabilities and Fund Balances	\$ 4,661,981	\$ 139,689	\$ -0-	\$ 4,801,670

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances from previous page	\$ 4,526,119
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds.	3,756,975
Other long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,294,230)
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(3,925,715)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows for Pensions	224,358
Deferred Inflows for Pensions	<u>(1,177,622)</u>
Net Position of Governmental Activities	<u>\$ 2,109,885</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUE:				
Local Sources:				
Local Tax Levy	\$ 17,242,428			\$ 17,242,428
Tuition from Other LEAs within State	937,154			937,154
Interest Earned on Investment	2,379			2,379
Restricted Miscellaneous		\$ 288,603		288,603
Unrestricted Miscellaneous	67,735			67,735
Total - Local Sources	18,249,696	288,603		18,538,299
State Sources	8,801,406	23,112		8,824,518
Federal Sources	20,893	565,509		586,402
Total Revenue	27,071,995	877,224		27,949,219
EXPENDITURES:				
Current:				
Regular Instruction	5,833,070	284,570		6,117,640
Special Education Instruction	1,417,083	297,238		1,714,321
School-Sponsored/Other Instruction	1,009,676			1,009,676
Support Services and Undistributed Costs:				
Tuition	1,969,940			1,969,940
Student & Instruction Related Services	2,346,773	352,304		2,699,077
General Administrative Services	464,059			464,059
School Administrative Services	492,055			492,055
Central Services	360,122			360,122
Administrative Information Technology	1,399			1,399
Plant Operations and Maintenance	2,134,478			2,134,478
Pupil Transportation	2,396,083			2,396,083
Unallocated Benefits	8,317,332			8,317,332
Capital Outlay	58,468	9,681	\$ 109,510	177,659
Total Expenditures	26,800,538	943,793	109,510	27,853,841
Net Change in Fund Balances	271,457	(66,569)	(109,510)	95,378
Fund Balance - July 1	4,236,567	194,174		4,430,741
Fund Balance/(Deficit) - June 30	\$ 4,508,024	\$ 127,605	\$ (109,510)	\$ 4,526,119

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 95,378

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 and deletions differ from depreciation.

Depreciation expense	\$ (289,306)
Capital Asset Deletions with Carrying Value	(6,090)
Capital outlays	<u>177,079</u>
	(118,317)

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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	(860,700)
Change in Deferred Outflows	158,672
Change in Deferred Inflows	<u>1,574,021</u>
	871,993

Repayment of financed purchases payable is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

Change in Net Position of Governmental Activities (Exhibit A-2)	<u>96,844</u>
	<u>\$ 1,054,180</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	<u>Major Funds</u>		<u>Non-Major Funds</u>	<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>		
<u>ASSETS:</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 262,041	\$ 173,936	\$ 15,651	\$ 451,628
Accounts Receivable:				
State	144			144
Federal	4,109			4,109
Intergovernmental - Other	22,588	187,311		209,899
Inventories	5,677			5,677
Total Current Assets	<u>294,559</u>	<u>361,247</u>	<u>15,651</u>	<u>671,457</u>
Non-Current Assets:				
Capital Assets	369,067	305,482		674,549
Less: Accumulated Depreciation	<u>(321,053)</u>	<u>(173,451)</u>		<u>(494,504)</u>
Total Non-Current Assets	<u>48,014</u>	<u>132,031</u>		<u>180,045</u>
Total Assets	<u>342,573</u>	<u>493,278</u>	<u>15,651</u>	<u>851,502</u>
<u>LIABILITIES:</u>				
Current Liabilities:				
Accounts Payable - Vendors	24,042			24,042
Interfund Payable - General Fund	76,211			76,211
Unearned Revenue - Prepaid Sales	2,574			2,574
Unearned Revenue - Donated Commodities	1,343			1,343
Unearned Revenue - Supply Chain	9,118			9,118
Total Current Liabilities	<u>113,288</u>			<u>113,288</u>
Total Liabilities	<u>113,288</u>			<u>113,288</u>
<u>NET POSITION:</u>				
Net Investment in Capital Assets	48,014	132,031		180,045
Unrestricted	<u>181,271</u>	<u>361,247</u>	<u>15,651</u>	<u>558,169</u>
Total Net Position	<u>\$ 229,285</u>	<u>\$ 493,278</u>	<u>\$ 15,651</u>	<u>\$ 738,214</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non-Major Funds	Totals
	Food Service Fund	Transportation Services		
Operating Revenue:				
Local Sources:				
Daily Sales - Reimbursable Programs	\$ 111,693			\$ 111,693
Daily Sales - Non Reimbursable Programs	137,586			137,586
Satellite Sales	121,136			121,136
Program Fees		\$ 1,506,783	\$ 3,125	1,509,908
Total Operating Revenue	<u>370,415</u>	<u>1,506,783</u>	<u>3,125</u>	<u>1,880,323</u>
Operating Expenses:				
Cost of Sales - Reimbursable Programs	125,414			125,414
Cost of Sales - Non Reimbursable Programs	133,129			133,129
Salaries & Payroll Taxes	221,618			221,618
Management Fee	22,100			22,100
Depreciation Expense	4,171	24,006		28,177
Other Miscellaneous Expenses	12,150	1,457,868	18,363	1,488,381
Total Operating Expenses	<u>518,582</u>	<u>1,481,874</u>	<u>18,363</u>	<u>2,018,819</u>
Operating Income/(Loss)	(148,167)	24,909	(15,238)	(138,496)
Non-Operating Revenue:				
Local Sources:				
Interest Income	127			127
State Sources:				
State School Breakfast Program	50			50
State School Lunch Program	3,133			3,133
Federal Sources:				
National School Lunch Program	75,142			75,142
School Breakfast Program	9,605			9,605
Food Distribution Program	34,683			34,683
Supply Chain Assistance Program	41,914			41,914
Total Non-Operating Revenue	<u>164,654</u>			<u>164,654</u>
Change in Net Position	16,487	24,909	(15,238)	26,158
Net Position - Beginning of Year - Restated	<u>212,798</u>	<u>468,369</u>	<u>30,889</u>	<u>712,056</u>
Net Position - End of Year	<u>\$ 229,285</u>	<u>\$ 493,278</u>	<u>\$ 15,651</u>	<u>\$ 738,214</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds			Totals
	Food Service Fund	Transportation Services	Non-Major Funds	
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 405,623	\$ 1,433,328	\$ 3,125	\$ 1,842,076
Payments to Employees	(221,618)			(221,618)
Payments to Food Service Vendor	(220,656)			(220,656)
Payments to Suppliers	(12,150)	(1,457,868)	(9,385)	(1,479,403)
Net Cash Provided by/(Used for) Operating Activities	(48,801)	(24,540)	(6,260)	(79,601)
Cash Flows from Noncapital Financing Activities:				
Cash Received from Federal and State Sources	154,658			154,658
Net Cash Provided by Noncapital Financing Activities	154,658			154,658
Cash Flows from Capital Financing Activities:				
Financed Purchase Principal Payment		(20,725)		(20,725)
Net Cash/(Used for) Capital Financing Activities		(20,725)		(20,725)
Cash Flows from Investing Activities:				
Investment Income	127			127
Net Cash Flows Provided by Investing Activities:	127			127
Net Increase/(Decrease) in Cash and Cash Equivalents	105,984	(45,265)	(6,260)	54,459
Cash and Cash Equivalents, July 1	156,057	219,201	21,911	397,169
Cash and Cash Equivalents, June 30	\$ 262,041	\$ 173,936	\$ 15,651	\$ 451,628

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non-Major Funds	Totals
	Food Service Fund	Transportation Services		
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Operating Income/(Loss)	\$ (148,167)	\$ 24,909	\$ (15,238)	\$ (138,496)
Adjustment to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities:				
Federal Food Distribution Program	34,683			34,683
Depreciation	4,171	24,006		28,177
Changes in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	35,208	(73,455)		(38,247)
(Increase)/Decrease in Inventory	1,034		8,978	10,012
Increase/(Decrease) in Accounts Payable	23,956			23,956
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	(178)			(178)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	492			492
Net Cash Provided by/(Used for) Operating Activities	\$ (48,801)	\$ (24,540)	\$ (6,260)	\$ (79,601)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. donated commodities through the Food Distribution Program valued at \$35,175 and utilized commodities valued at \$34,683. The Transportation Services Fund paid down \$20,725 of financed purchases payable.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of High Point Regional High School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

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

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenue identifies the extent to which each government function or business segment is self-financing or draws from the general revenue of the District.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary*– are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes 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 sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of major capital facilities and other capital assets or lease assets or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

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

The District reports the following proprietary fund:

Enterprise Fund: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria program, school store, adult school and transportation program. The enterprise funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students or other customers on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset, lease asset or subscription assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. Budget amendments/transfers are made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of grant receivables. These grants are recognized on the budgetary basis in full at the time of the award but are recognized on a GAAP basis as they are requested for reimbursement.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 27,013,539	\$ 963,198
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures, and Revenue while the GAAP Basis does not.		(85,974)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	409,235	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(350,779)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 27,071,995</u>	<u>\$ 877,224</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 26,800,538	\$ 1,029,767
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		<u>(85,974)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 26,800,538</u>	<u>\$ 943,793</u>
		<u>Capital Projects Fund</u>
	<u>Revenue</u>	<u>Fund Balance</u>
Fund Balance/Revenue per Summary Schedule of Revenue, Expenditures and Changes in Fund Balance (Budgetary Basis)	\$ 1,981,350	\$ 1,871,840
Reconciliation to Governmental Funds Statements (GAAP):		
Grants are Recognized as Revenue on the Budgetary Basis when awarded but are not recognized on the GAAP Basis until Expended and submitted for reimbursement.	<u>(1,981,350)</u>	<u>(1,981,350)</u>
Fund Balance/Revenue per Governmental Funds (GAAP)	<u>\$ -0-</u>	<u>\$ (109,510)</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. 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 the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities or governmental and agency funds, which are presented as internal balances.

G. Allowance for Uncollectible Amounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. 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 restricted, committed, and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet 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.

I. Short-Term Interfund Receivable/Payable:

Short-term 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.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at acquisition cost. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 years
Land and Site Improvements	20 years
Furniture, Machinery, and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Lease Assets

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITAs) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription term.

N. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2023.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

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

Q. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

R. Lease Payable

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

S. Subscription Payable

In the district-wide financial statements, subscription payables are reported as liabilities in the Statement of Net Position. In the governmental Fund financial statements, the present value of subscription payments at the District's incremental borrowing rate over the subscription term is reported as other financing sources.

T. Fund Balance Appropriated:

General Fund: Of the \$4,508,024 General Fund fund balance at June 30, 2023, \$1,823,126 is restricted in the capital reserve account; \$157,140 is restricted in the maintenance reserve; \$941,647 is restricted for current fiscal year excess surplus in accordance with N.J.S.A 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2025; \$1,017,813 is restricted for prior year fiscal year excess surplus in accordance with N.J.S.A 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2024; \$312,387 is assigned fund balances for year-end encumbrances; and \$255,911 is unassigned which is \$350,779 less than reported on a GAAP basis due to the final two state aid payments not being recognized as of June 30, 2024.

Special Revenue Fund: Of the \$127,605 Special Revenue fund balance at June 30, 2023 \$8,766 is restricted for Scholarships and \$118,839 is restricted for Student Activities.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Fund Balance Appropriated: (Cont'd)

Capital Projects Fund: The Capital Projects Fund has a deficit fund balance at June 30, 2023 of \$109,510 which is \$1,981,350 less on a GAAP basis due to the SSB-VEEVER grant not being recognized on a GAAP basis until certain milestones are accomplished and the required documentation is submitted for the grantor for reimbursement.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701) the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund 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 year's budget. The District had an excess surplus at June 30, 2023 as noted above.

The District's fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$409,235 in unassigned fund balance, as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the related state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

U. Net Position:

Net Position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows and outflows of resources at June 30, 2023 related to pensions.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization and subscription assets net of accumulated amortization reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Net Position: (Cont'd)

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

V. Deficit in Net Position/Fund Balance:

There is a \$5,251,299 deficit in unrestricted net position for the governmental activities at June 30, 2023. This deficit is primarily a result of the net pension liability and related deferred inflows and outflows and compensated absences payable. Additionally, there is a \$109,510 deficit in the Capital Projects Fund due the timing of grant recognition.

These deficits do not indicate that the District is facing financial difficulties and is permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned. Fund balance restrictions have been established for a capital reserve, a maintenance reserve, excess surplus, scholarships and student activities (including athletics).

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion, or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2023.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances in the General Fund at June 30, 2023.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

X. Revenue - Exchange and Non-exchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest and tuition.

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the respective Enterprise Fund. For the School District, these revenues are sales for food service and program fees for other Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the respective Enterprise Fund.

Z. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

AA. Pensions:

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following two pages.

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52-18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41);
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2023, cash and cash equivalents of the District consisted of the following:

	<u>Unrestricted</u> <u>Cash and</u> <u>Cash Equivalents</u>	<u>Restricted</u> <u>Cash and</u> <u>Cash Equivalents</u>	<u>Total</u>
Checking and Savings Accounts	<u>\$ 2,213,988</u>	<u>\$ 2,107,871</u>	<u>\$ 4,321,859</u>
	<u>\$ 2,213,988</u>	<u>\$ 2,107,871</u>	<u>\$ 4,321,859</u>

During the period ended June 30, 2023, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$4,321,859 and the bank balance was \$5,695,746.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Board resolution on October 9, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the 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 district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-14.1(g)*, the balance in the 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		\$ 1,232,981
Increased by:		
Interest Earned	\$ 751	
Increase per Board Resolution (June 2023)	600,000	
		600,751
		1,833,732
Decreased by:		
Withdrawal by Resolution		10,606
Ending Balance, June 30, 2023		\$ 1,823,126

The balance in the capital reserve account at June 30, 2023 did not exceed the balance of local support costs of the uncompleted capital projects in the District’s approved Long Range Facilities Plan (“LRFP”). The withdrawal from the capital reserve was for use in DOE approved facilities projects consistent with the District’s LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution for the accumulation of funds for use as maintenance expenditures for subsequent fiscal years. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn for the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2022	\$ 200,937
Increased by:	
Interest Earned	103
Decreased by:	
Withdrawal by Resolution	(43,900)
Ending Balance, June 30, 2023	\$ 157,140

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2023 were as follows:

	(Restated) Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 50,000			\$ 50,000
Construction in Progress		\$ 109,510		109,510
Total Capital Assets Not Being Depreciated	<u>50,000</u>	<u>109,510</u>		<u>159,510</u>
Capital Assets Being Depreciated:				
Land Improvements	1,023,918			1,023,918
Buildings, Building Improvements and Site Improvements	12,468,968	6,034		12,475,002
Machinery and Equipment	3,971,245	61,535	\$ (8,700)	4,024,080
Total Capital Assets Being Depreciated	<u>17,464,131</u>	<u>67,569</u>	<u>(8,700)</u>	<u>17,523,000</u>
Governmental Activities Capital Assets	<u>17,514,131</u>	<u>177,079</u>	<u>(8,700)</u>	<u>17,682,510</u>
Less Accumulated Depreciation for:				
Land Improvements	(818,393)	(32,891)		(851,284)
Buildings, Building Improvements and Site Improvements	(9,199,656)	(195,251)		(9,394,907)
Machinery and Equipment	(3,620,790)	(61,164)	2,610	(3,679,344)
	<u>(13,638,839)</u>	<u>(289,306)</u>	<u>2,610</u>	<u>(13,925,535)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 3,875,292</u>	<u>\$ (112,227)</u>	<u>\$ (6,090)</u>	<u>\$ 3,756,975</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 674,549			\$ 674,549
Less Accumulated Depreciation	(466,327)	\$ (28,177)		(494,504)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 208,222</u>	<u>\$ (28,177)</u>	<u>\$ -0-</u>	<u>\$ 180,045</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd):

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 56,257
Other Special Instruction	93,284
General Administration	259
School Administration	529
Plant Operation and Maintenance	9,965
Pupil Transportation	<u>129,012</u>
 Total Depreciation Expense	 <u><u>\$289,306</u></u>

NOTE 7. TRANSFER TO CAPITAL OUTLAY

During the year ended June 30, 2023, the District made transfers to capital outlay accounts in the amount of \$116,579 for which the required county superintendent approval was received.

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2023, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2022	Accrued	Retired	Balance 6/30/2023	Due Within One Year
Finance Purchases Payable:					
Governmental Funds	\$ 560,036		\$ 96,844	\$ 463,192	\$ 99,001
Proprietary Funds	20,725		20,725		
Net Pension Liability	3,065,015	\$ 860,700		3,925,715	
Compensated Absences Payable	<u>939,320</u>	<u>27,473</u>	<u>135,755</u>	<u>831,038</u>	
	<u><u>\$ 4,585,096</u></u>	<u><u>\$ 888,173</u></u>	<u><u>\$ 253,324</u></u>	<u><u>\$ 5,219,945</u></u>	<u><u>\$ 99,001</u></u>

A. Serial Bonds Payable:

The District had no serial bonds payable at June 30, 2023.

B. Bonds and Notes Authorized but not Issued:

The District had no bonds and notes authorized but not issued at June 30, 2023.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd):

C. Financed Purchases Payable:

The District has a financed purchase agreement for equipment under an energy savings improvement program totaling \$1,327,620 of which \$864,428 had been amortized as of June 30, 2023. The financed purchase agreement is for a term of fourteen years. The financed purchase agreement is for a term of five years. The following is a schedule of the future minimum financed purchase payments under the financed purchase agreements, and the present value of the net minimum financed purchases payments at June 30, 2023.

Year	Governmental Funds
2024	\$ 108,715
2025	108,715
2026	108,715
2027	108,715
2028	54,358
	489,218
Less: Amount representing interest	(26,026)
Present value of net minimum lease payments	\$ 463,192

The General Fund will be used to liquidate the energy savings improvement program financed purchase for which the current portion of this financed purchase payable is \$99,001 and the long-term portion is \$364,191.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$0- and the long-term portion is \$831,038. Compensated absences will be liquidated through the General Fund.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, no liability existed for compensated absences in the Enterprise Funds.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$0- and the long-term portion is \$3,925,715. See Note 9 for further information on the PERS.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS

Substantially all of the Board’s employees participate in one of the two contributory, defined benefit public employee retirement systems: the Public Employee’s Retirement System (PERS) of New Jersey; or the Teachers’ Pension and Annuity Fund (TPAF); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under the Internal Revenue Code (IRC) 401(a).

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 the PERS, please refer to the Division’s annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to 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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members 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 50 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. 43:15A and requires contributions by active members and contributing members. 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 noncontributory group insurance benefits is based on actual claims paid.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions (Cont'd)

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.

District contributions to PERS amounted to \$328,036 for the current fiscal year. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$8,260 to the PERS for normal pension benefits on behalf of the District.

The employee contribution rate was 7.50% effective July 1, 2018.

Special Funding Situation

A special funding situation exists for certain local employers of the PERS. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation and there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation for the fiscal year ending June 30, 2022, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

At June 30, 2023, the District reported a liability of \$3,925,715 for its proportionate share of the net pension liability. 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 District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.026%, which was the same from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit of \$543,958 related to the District's proportionate share of the net pension liability.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$8,260 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2023.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ (94,366)
	2019	5.21		(117,926)
	2020	5.16		(346,768)
	2021	5.13		(28,775)
	2022	5.04	\$ 12,163	
			<u>12,163</u>	<u>(587,835)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	3,884	
	2020	5.00	116,699	
	2021	5.00	(727,894)	
	2022	5.00	769,793	
			<u>162,482</u>	
Difference Between Expected and Actual Experience	2018	5.63		(3,594)
	2019	5.21	9,014	
	2020	5.16	19,320	
	2021	5.13		(9,673)
	2022	5.04		(11,720)
			<u>28,334</u>	<u>(24,987)</u>
Changes in Proportion	2018	5.63		(4,044)
	2019	5.21		(122,356)
	2020	5.16		(130,586)
	2021	5.13		(307,814)
	2022	5.04	21,379	
			<u>21,379</u>	<u>(564,800)</u>
Contribution Subsequent to Measurement Date	2022	1.00	325,000	
			<u>\$ 549,358</u>	<u>\$ (1,177,622)</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the District contribution subsequent to the measurement date) related to pensions will be recognized in the pension benefit as follows:

Fiscal Year Ending June 30,	Total
2023	(336,744)
2024	(171,560)
2025	(83,666)
2026	182,528
2027	(401)
	\$ (409,843)

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:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

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 a 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.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension 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 PERS' target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	8.00%	11.19%
Real Estate	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 Management Strategies	3.00%	4.91%

Discount Rate

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2022 calculated using the discount rate as disclosed below, as well as what the 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:

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 5,043,393	\$ 3,925,715	\$ 2,974,525

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

Tier	Definition
1	Members who 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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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 members 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 members. 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 included 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.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$3,273,157 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$1,155,935.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$42,951,143. 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.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0832%, which was a decrease of 0.0051% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		42,951,143
Total	\$	42,951,143

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$1,155,935 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
			3,013,097,864	19,441,140,477
Difference Between Expected and Actual Experience	2015	8.30	13,201,022	
	2016	8.30		21,088,845.00
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041
			699,820,974	122,664,916

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	\$ 36,220,692	
	2020	5.00	482,791,080	
	2021	5.00	(2,665,975,358)	
	2022	5.00	3,319,334,659	
			1,172,371,073	
			\$ 4,885,289,911	\$ 19,563,805,393

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2023	\$ (2,658,825,381)
2024	(3,823,762,872)
2025	(3,351,102,048)
2026	(1,509,375,379)
2027	(1,647,727,819)
Thereafter	(1,687,721,983)
	\$ (14,678,515,482)

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%

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Actuarial Assumptions (Cont'd)

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 a 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.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension 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, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Discount Rate – TPAF

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 pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2022 calculated using the discount rate as disclosed above, as well as what the State's 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:

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Total Net Pension Liability	\$ 50,361,128	\$ 42,951,143	\$ 36,709,162

Pension Plan Fiduciary Net Position - TPAF

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$6,981 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$9,879 for the fiscal year ended June 30, 2023.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. RISK MANAGEMENT

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

Property and Liability

The High Point Regional High School District is a member of the School Alliance Insurance Fund (the “Fund”). This public entity risk management pool provides general liability, property and automobile coverage and workers’ compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Fund is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of this Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund’s liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body. In accordance Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution is declared.

The June 30, 2023 audit report for the Fund is not available as of the date of this report. Selected, summarized financial information for the Fund as of June 30, 2022 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	\$ 52,198,217
Net Position	\$ 20,990,635
Total Revenue	\$ 46,988,143
Total Expenses	\$ 46,989,023
Change in Net Position	\$ (880)
Member Dividends	\$ -0-

Financial statements for the Fund are available at the Fund’s Executive Director’s Office:

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Health Benefits

The Board is a member of the Schools Health Insurance Fund (“HIF”). The HIF provides its members with Health Benefit coverage. The HIF is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the HIF are elected.

As a member of HIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of HIF were to be exhausted, members would become responsible for their respective shares of the HIF’s liabilities.

HIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The June 30, 2023 audit report is not available as of the date of this report. Selected summarized financial information for HIF as of June 30, 2022 is as follows:

	School Health Insurance Fund
Total Assets	\$ 177,555,942
Net Position	\$ 119,187,031
Total Revenue	\$ 432,454,946
Total Expenses	\$ 426,163,433
Change in Net Position	\$ 6,291,513
Members Dividends	\$ -0-

Financial Statements for HIF are available at PERMA’s Executive Director’s Office:

PERMA Risk Management Services
9 Campus Drive
Suite 216
Parsippany, NJ 07054

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Contributory Method”. Under this plan, the District is required to remit employee withholdings to the State on a quarterly basis. All of the District’s claims are paid by the State.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The District had interfunds as of June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 192,743	
Special Revenue Fund		\$ 7,022
Capital Projects Fund		109,510
Enterprise Fund - Food Service		76,211
	<u>\$ 192,743</u>	<u>\$ 192,743</u>

The interfund between the General Fund and the Special Revenue Fund and Capital Projects funds are due to deficits in cash and cash equivalents. The deficit is due to the timing between expenditure and reimbursement of federal grant funds from the State. The interfund between the General Fund and Enterprise Fund is for subsidy reimbursement funds not turned over by June 30, 2023.

NOTE 12. ACCOUNTS PAYABLE

Payables as of June 30, 2023, were:

	<u>Governmental Funds</u>		<u>Total</u>	<u>District Contribution Subsequent to Measurement Date</u>	<u>Total</u>	<u>Business-Type Activities Proprietary Funds</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Governmental Funds</u>		<u>Governmental Activities</u>	
Vendors	\$ 6,915		\$ 6,915		\$ 6,915	\$ 24,042
Payroll Deductions and Withholdings	147,042		147,042		147,042	
State of New Jersey				\$ 325,000	325,000	
	<u>\$ 153,957</u>	<u>\$ -0-</u>	<u>\$ 153,957</u>	<u>\$ 325,000</u>	<u>\$ 478,957</u>	<u>\$ 24,042</u>

NOTE 13. DEFERRED COMPENSATION

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

VALIC
Equitable Financial Companies
Metropolitan Life

Lincoln National
Siracusa Benefits

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 14. ECONOMIC DEPENDENCY

The Board of Education 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, may have an effect on the Board of Education's programs and activities.

NOTE 15. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10. Taxes are collected by the constituent municipalities and are remitted to the regional school district on predetermined, agreed-upon schedules.

NOTE 16. CONTINGENT LIABILITIES

Grant Programs

The school district participates in state and federally assisted grant programs. The programs are subject to program compliance audits by grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation

The District is periodically involved in pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

Encumbrances

At June 30, 2023, there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Capital Projects Funds	Total Governmental Funds
\$ 312,387	\$ 85,974	\$ 252,640	\$ 651,001
\$ 312,387	\$ 85,974	\$ 252,640	\$ 651,001

On the District's Governmental Funds Balance Sheet as of June 30, 2022, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$85,974 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. The \$252,640 year-end encumbrances in the Capital Projects Fund are included in the (\$109,510) unassigned fund balance.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Statement No. 75, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Employee 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 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefits 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 years or more 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 education employers.

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

At June 30, 2021, the plan membership consisted on the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	151,669
Active Plan Members	213,148
Total	364,817

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

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.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

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

Mortality Rates

Pre-retirement 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. Post-retirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees were 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.

Health Care Trend Assumptions

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Con'd)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54%. . This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the State’s Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2021	\$ 56,128,431
Changes for Year:	
Service Cost	1,900,450
Interest on the Total OPEB Liability	1,249,107
Differences Between Expected and Actual Experience	1,697,885
Changes of Assumptions	(12,644,154)
Gross Benefit Payments by the State	(1,237,277)
Contributions from Members	<u>39,692</u>
Net Changes in Total OPEB Liability	<u>(8,994,297)</u>
Balance at June 30, 2022	<u><u>\$ 47,134,134</u></u>

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District 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:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 55,401,216	\$ 47,134,134	\$ 40,508,481

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were 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
Total OPEB Liability Attributable to the District	\$ 38,959,243	\$ 47,134,134	\$ 57,872,350

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

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$2,220,101 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2022 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Year of Deferral	Original Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 2,447,255
	2018	9.51		2,335,377
	2019	9.29	\$ 329,720	
	2020	9.24	7,784,835	
	2021	9.24	43,171	
	2022	9.13		11,259,252
			<u>8,157,725</u>	<u>16,041,884</u>
Differences Between Expected and Actual Experience	2018	9.51		2,207,658
	2019	9.29		3,880,822
	2020	9.24	7,255,771	
	2021	9.24		8,302,116
	2022	9.13	1,159,541	
			<u>8,415,313</u>	<u>14,390,596</u>
Changes in Proportion	N/A	N/A	<u>999,167</u>	<u>3,027,557</u>
			<u>\$ 17,572,205</u>	<u>\$ 33,460,037</u>

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,	Total
2023	\$ (2,342,588)
2024	(2,342,587)
2025	(2,342,587)
2026	(2,024,582)
2027	(1,157,683)
Thereafter	(3,649,415)
	<u>\$ (13,859,442)</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 18. PRIOR PERIOD ADJUSTMENT

The District made a prior year adjustment in the District Wide Financial Statements to record an adjustment between Governmental and Business-type Activities related to the recording of a school bus.

	Balance June 30, 2022 as Previously Reported	Retroactive Adjustments	Balance June 30, 2022 as Restated
<u>Statement of Net Assets</u>			
<u>Governmental Activities</u>			
Capital Assets:			
Depreciable Buildings and Building Improvements, Site & Land Improvements, Furniture, Machinery & Equipment	\$ 3,900,079	\$ (74,787)	\$ 3,825,292
Total Assets	8,465,447	(74,787)	8,390,660
Net Position:			
Net Investment in Capital Assets	3,390,043	(74,787)	3,315,256
Total Net Position	1,130,492	(74,787)	1,055,705
<u>Proprietary Funds:</u>			
Capital Assets:			
Depreciable Buildings and Building Improvements, Site & Land Improvements, Furniture, Machinery & Equipment	133,435	74,787	208,222
Total Assets	661,684	74,787	736,471
Net Position:			
Net Investment in Capital Assets	112,710	74,787	187,497
Total Net Position	637,269	74,787	712,056

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,			
	2015	2016	2017	2018
District's proportion of the net pension liability	3.0490780810%	0.0337620405%	0.0337620405%	0.0320574460%
District's proportionate share of the net pension liability	\$ 5,708,697	\$ 7,578,902	\$ 9,473,067	\$ 7,462,461
District's covered employee payroll	\$ 2,183,844	\$ 2,228,210	\$ 2,154,231	\$ 2,281,270
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	261.41%	340.13%	439.74%	327.12%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%
				306.67%
				53.60%
				0.0318973924%
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,462,461
				\$ 6,280,438
				\$ 2,047,976
				\$ 2,281,270
				\$ 7,462,461
				\$ 9,473,067
				\$ 7,46

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 251,361	\$ 290,263	\$ 289,113	\$ 300,962	\$ 318,628
Contributions in relation to the contractually required contribution	(251,361)	(290,263)	(289,113)	(300,962)	(318,628)
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 2,228,210	\$ 2,154,231	\$ 2,281,270	\$ 2,047,976	\$ 2,092,415
Contributions as a percentage of covered employee payroll	11.28%	13.47%	12.67%	14.70%	15.23%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Contractually required contribution	\$ 294,697	\$ 308,341	\$ 303,000	\$ 328,036
Contributions in relation to the contractually required contribution	(294,697)	(308,341)	(303,000)	(328,036)
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 1,844,586	\$ 1,893,298	\$ 1,909,731	\$ 2,053,872
Contributions as a percentage of covered employee payroll	15.98%	16.29%	15.87%	15.97%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
State's proportion of the net pension liability attributable to the District	0.0961169728%	0.0916826155%	0.0937156978%	0.0984414189%	0.0976366570%
State's proportionate share of the net pension liability attributable to the District	\$ 51,371,394	\$ 57,947,328	\$ 73,722,735	\$ 66,372,754	\$ 62,114,344
District's covered employee payroll	\$ 9,297,024	\$ 10,011,720	\$ 9,881,376	\$ 10,157,584	\$ 9,601,895
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	552.56%	578.79%	746.08%	653.43%	646.90%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%
	Fiscal Year Ending June 30,				
	2020	2021	2022	2023	
State's proportion of the net pension liability attributable to the District	0.0947416639%	0.0882866346%	0.0883468208%	0.0832476584%	
State's proportionate share of the net pension liability attributable to the District	\$ 58,143,853	\$ 58,135,687	\$ 42,472,894	\$ 42,951,143	
District's covered employee payroll	\$ 9,535,972	9,411,735	9,061,453	8,975,771	
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	609.73%	617.69%	468.72%	478.52%	
Plan fiduciary net position as a percentage of the total pension liability	26.95%	24.60%	35.52%	32.29%	

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 2,764,263	\$ 3,538,208	\$ 5,539,238	\$ 4,597,968	\$ 3,621,049
Contributions in relation to the contractually required contribution	(495,670)	(750,324)	(1,068,556)	(1,437,843)	(1,863,338)
Contribution deficiency/(excess)	<u>\$ 2,268,593</u>	<u>\$ 2,787,884</u>	<u>\$ 4,470,682</u>	<u>\$ 3,160,125</u>	<u>\$ 1,757,711</u>
District's covered employee payroll	\$ 10,011,720	\$ 9,881,376	\$ 10,157,584	\$ 9,601,895	\$ 9,535,972
Contributions as a percentage of covered employee payroll	27.61%	7.59%	10.52%	14.97%	19.54%
	Fiscal Year Ending June 30,				
	2020	2021	2022	2023	
Contractually required contribution	\$ 3,429,480	\$ 3,615,125	\$ 999,406	\$ 1,155,935	
Contributions in relation to the contractually required contribution	(1,936,463)	(2,568,135)	(3,427,021)	(3,273,157)	
Contribution deficiency/(excess)	<u>\$ 1,493,017</u>	<u>\$ 1,046,990</u>	<u>\$ (2,427,615)</u>	<u>\$ (2,117,222)</u>	
District's covered employee payroll	\$ 9,411,735	\$ 9,061,453	\$ 8,975,771	\$ 8,849,766	
Contributions as a percentage of covered employee payroll	20.57%	28.34%	38.18%	36.99%	

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS
LAST SIX FISCAL YEARS

	Fiscal Year Ended June 30,					
	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 1,968,128	\$ 1,633,221	\$ 1,397,661	\$ 1,316,846	\$ 2,261,447	\$ 1,900,450
Interest Cost	1,678,317	1,941,237	1,774,186	1,397,431	1,456,031	1,249,107
Changes of Benefit Terms					(59,742)	
Difference Between Expected and Actual Experience		(5,388,543)	(8,484,895)	9,920,966	(8,526,349)	1,697,885
Changes in Assumptions	(6,802,058)	(5,166,750)	583,417	11,334,656	55,375	(12,644,154)
Member Contributions	45,346	41,610	35,605	32,743	37,224	39,692
Gross Benefit Payments	(1,231,468)	(1,203,931)	(1,201,144)	(1,080,264)	(1,146,944)	(1,237,277)
Net Change in Total OPEB Liability	(4,341,735)	(8,143,156)	(5,895,170)	22,922,378	(5,922,958)	(8,994,297)
Total OPEB Liability - Beginning	57,509,072	53,167,337	45,024,181	39,129,011	62,051,389	56,128,431
Total OPEB Liability - Ending	\$ 53,167,337	\$ 45,024,181	\$ 39,129,011	\$ 62,051,389	\$ 56,128,431	\$ 47,134,134
District's Covered Employee Payroll *	\$ 12,239,930	\$ 12,035,607	\$ 12,438,854	\$ 12,438,854	\$ 11,649,871	\$ 11,628,387
Total OPEB Liability as a Percentage of Covered Employee Payroll	434.38%	374.09%	314.57%	498.85%	481.79%	405.34%

* - Covered payroll for the fiscal years ending June 30, 2017 - 2022 are based on the payroll on the June 30, 2016 - 2021 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 6.55% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 2.00%-6.00% through 2026 and 3.00-7.00% thereafter based on years of service.

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. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 1.55%-4.45% through 2026 and 2.75%-5.65% thereafter based on years of service.

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. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEN PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2022 was 3.54%. The discount rate for June 30, 2021 was 2.16%, a change of 1.38%.

The salary increases for TPAF/ABP thereafter were 1.55% - 4.45% through 2026 and 2.75% - 5.65% for thereafter in the valuation as of June 30, 2021. The salary increases for TPAF/ABP were 2.75% - 4.25% in the valuation as of June 30, 2022.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEN PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The salary increases for PERS were 2.00% - 6.00% through 2026 and 3.00% - 7.00% for thereafter in the valuation as of June 30, 2021. The salary increases for PERS were 2.75% - 6.55% in the valuation as of June 30, 2022.

The salary increases for PFRS were 3.25% - 15.25% through 2026 and not applicable for thereafter in the valuation as of June 30, 2021. The salary increases for PFRS were 3.25% - 16.25% in the valuation as of June 30, 2022.

The health care trend rates in the valuation as of June 30, 2022 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long term rate after eight years.

The health care trend rates in the valuation as of June 30, 2021 were based on the following:

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

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 17,242,428		\$ 17,242,428	\$ 17,242,428	
Tuition From Other LEAs Within the State	1,022,580		1,022,580	937,154	\$ (85,426)
Unrestricted Miscellaneous Revenues	28,000		28,416	69,260	40,844
Interest Earned on Maintenance Reserve	1,000		1,000	103	103
Interest Earned on Capital Reserve Funds				751	(249)
Total Revenues from Local Sources	18,294,008		18,294,424	18,249,696	(44,728)
Revenues from State Sources:					
School Choice Aid	58,650		58,650	58,650	
Categorical Transportation Aid	748,822		748,822	748,822	
Extraordinary Aid	225,000		225,000	348,013	123,013
Categorical Special Education Aid	702,032		702,032	702,032	
Equalization Aid	1,927,657		1,927,657	1,927,657	
Categorical Security Aid	86,130		86,130	86,130	
Supplemental Stabilization Aid				33,680	33,680
Non-Public Transportation Aid				10,535	10,535
TPAF Post Retirement Contributions (Non-Budgeted)				871,780	871,780
TPAF Pension Contributions (Non-Budgeted)				3,273,157	3,273,157
TPAF Non-Contributory Insurance (Non-Budgeted)				45,411	45,411
TPAF Long-Term Disability Insurance (Non-Budgeted)				712	712
Reimbursed TPAF Social Security Contributions				636,371	636,371
Total Revenues from State Sources	3,748,291		3,748,291	8,742,950	4,994,659
Revenues from Federal Sources:					
Medicaid Reimbursement	21,490		21,490	20,248	(1,242)
Family First Coronavirus Response Act				645	645
Total Revenues from Federal Sources	21,490		21,490	20,893	(597)
TOTAL REVENUE	22,063,789		22,064,205	27,013,539	4,949,334

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 5,596,914	\$ (28,621)	\$ 5,568,293	\$ 5,566,374	\$ 1,919
Regular Programs - Home Instruction:					
Salaries of Teachers	30,000	4,064	34,064	34,064	
Purchased Professional-Educational Services	800	1,970	2,770	2,060	710
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	10,000	(8,500)	1,500	1,071	429
Unused Vacation Payment to Terminated/Retired Staff	75,000	(71,807)	3,193	2,508	685
Purchased Professional-Educational Services	33,895	(29,724)	4,171	3,201	970
Purchased Technical Services	7,027	(7,000)	27	27	27
Other Purchased Services (400-500 series)	16,778		16,778	10,877	5,901
General Supplies	244,633	(22,136)	222,497	191,609	30,888
Textbooks	10,650	(2,200)	8,450	7,497	953
Other Objects	1,431	21,420	22,851	13,809	9,042
Total Regular Programs - Instruction	<u>6,027,128</u>	<u>(142,534)</u>	<u>5,884,594</u>	<u>5,833,070</u>	<u>51,524</u>
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	107,222	(79,551)	27,671	27,587	84
Other Salaries for Instruction	127,432	(36,081)	91,351	87,673	3,678
Purchased Professional-Educational Services	1,331		1,331	1,331	1,331
General Supplies	3,671	(2,100)	1,571	1,454	117
Total Cognitive -Mild	<u>239,656</u>	<u>(117,732)</u>	<u>121,924</u>	<u>116,714</u>	<u>5,210</u>
Learning and/or Language Disabilities:					
Salaries of Teachers	43,358	4,200	47,558	47,555	3
Other Salaries for Instruction	55,233	(12,813)	42,420	5,847	36,573
General Supplies	580		580	514	66
Textbooks	500		500	500	500
Total Learning and/or Language Disabilities	<u>99,671</u>	<u>(8,613)</u>	<u>91,058</u>	<u>53,916</u>	<u>37,142</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Unused Vacation Payment to Terminated/Retired Staff		\$ 8	\$ 8		\$ 8
Total Multiple Disabilities		8	8		8
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,035,211	42,134	1,077,345	\$ 1,017,251	60,094
Other Salaries for Instruction	159,898	59,446	219,344	219,343	1
Unused Vacation Payment to Terminated/Retired Staff		4,648	4,648	4,648	
General Supplies		7,120	7,120	5,211	1,909
Total Resource Room/Resource Center	1,195,109	113,348	1,308,457	1,246,453	62,004
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,534,436	(12,989)	1,521,447	1,417,083	104,364
Bilingual Education - Instruction:					
General Supplies	300		300		300
Total Bilingual Education - Instruction	300		300		300
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	165,000	63,752	228,752	228,752	
Supplies and Materials	16,000	(5,500)	10,500	8,837	1,663
Other Objects	11,150	(3,601)	7,549		7,549
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	192,150	54,651	246,801	237,589	9,212
School-Sponsored Athletics - Instruction:					
Salaries	633,489	(10,777)	622,712	602,122	20,590
Purchased Services (300-500 series)	800	1,250	2,050	1,729	321
Supplies and Materials	60,765	(13,500)	47,265	34,025	13,240
Other Objects	79,898	(16,414)	63,484	63,333	151
Transfers to Cover Deficit (Agency Funds)	40,000		40,000	30,500	9,500
Total School-Sponsored Athletics - Instruction	814,952	(39,441)	775,511	731,709	43,802

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Summer School - Instruction:					
Salaries of Teachers	\$ 30,000	\$ 10,170	\$ 40,170	\$ 40,169	\$ 1
General Supplies		209	209	209	
Total Summer School - Instruction	<u>30,000</u>	<u>10,379</u>	<u>40,379</u>	<u>40,378</u>	<u>1</u>
TOTAL INSTRUCTION	8,598,966	(129,934)	8,469,032	8,259,829	209,203
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	21,878	(21,000)	878	446	432
Tuition to Other LEAs Within the State-Special		252,446	252,446	106,087	146,359
Tuition to County Voc. School Dist.-Regular	290,926	6,236	297,162	282,495	14,667
Tuition to Priv. Sch. for the Handicap. W/I State	2,177,680	(478,269)	1,699,411	1,578,712	120,699
Tuition - State Facilities		2,200	2,200	2,200	
Total Undistributed Expenditures - Instruction	<u>2,490,484</u>	<u>(238,387)</u>	<u>2,252,097</u>	<u>1,969,940</u>	<u>282,157</u>
Undistributed Expenditures - Health Services:					
Salaries	85,542	(1,482)	84,060	83,951	109
Purchased Professional and Technical Services	27,000	(3,582)	23,418	23,418	
Supplies and Materials	2,500		2,500	2,170	330
Total Undist. Expenditures - Health Services	<u>115,042</u>	<u>(5,064)</u>	<u>109,978</u>	<u>109,539</u>	<u>439</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	169,281	151	169,432	159,880	9,552
Purchased Professional - Educational Services	3,901		3,901		3,901
Supplies and Materials	400	(400)			
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>173,582</u>	<u>(249)</u>	<u>173,333</u>	<u>159,880</u>	<u>13,453</u>
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	52,634	22,477	75,111	75,111	
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	<u>52,634</u>	<u>22,477</u>	<u>75,111</u>	<u>75,111</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Guidance:					
Salaries of Other Professional Staff	\$ 346,104	\$ 103,220	\$ 449,324	\$ 449,322	\$ 2
Salaries of Secretarial and Clerical Assistants		43,063	43,063	42,683	380
Other Purchased Services (400-500 series)	1,350	(1,300)	50		50
Supplies and Materials	3,750		3,750	2,789	961
Other Objects		2,130	2,130	325	1,805
Total Undist Expend. - Guidance	<u>351,204</u>	<u>147,113</u>	<u>498,317</u>	<u>495,119</u>	<u>3,198</u>
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	372,386	791	373,177	373,175	2
Salaries of Secretarial and Clerical Assistants	53,578		53,578	53,563	15
Unused Vacation Payment to Terminated/Retired Staff	15,500	54,820	70,320	40,570	29,750
Purchased Professional - Educational Services	65,976	10,789	76,765	71,014	5,751
Other Purchased Services (400-500 series)		110	110	109	1
Supplies and Materials	4,200		4,200	2,124	2,076
Other Objects		378	378	378	
Total Undist Expend. - Child Study Team	<u>511,640</u>	<u>66,888</u>	<u>578,528</u>	<u>540,933</u>	<u>37,595</u>
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	402,729	(37,987)	364,742	361,389	3,353
Salaries of Secretarial and Clerical Assistants	61,034	13,918	74,952	74,929	23
Unused Vacation Payment to Terminated/Retired Staff	3,172		3,172	3,165	7
Supplies and Materials	250		250		250
Other Objects		4,900	4,900	4,900	
Total Undist. Expend.-Improv. of Inst. Serv.	<u>467,185</u>	<u>(19,169)</u>	<u>448,016</u>	<u>444,383</u>	<u>3,633</u>
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	66,243		66,243	65,725	518
Salaries of Technology Coordinators	235,204	4,209	239,413	239,412	1
Other Purchased Services (400-500 series)	234,200	10,526	244,726	214,536	30,190
Supplies and Materials	4,743	(2,000)	2,743	1,931	812
Total Undist Expend.-Edu. Media Serv./Sch. Library	<u>540,390</u>	<u>12,735</u>	<u>553,125</u>	<u>521,604</u>	<u>31,521</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Instructional Staff Training Services:					
Other Purchased Services (400-500 series)	\$ 2,500	\$ (1,875)	\$ 625	\$ 204	\$ 421
Total Undist. Expend.-Instructional Staff Training Services	<u>2,500</u>	<u>(1,875)</u>	<u>625</u>	<u>204</u>	<u>421</u>
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	279,797	868	280,665	280,660	5
Unused Vacation Payment to Terminated/Retired Staff		2,960	2,960	1,310	1,650
Legal Services	40,000	20,000	60,000	39,475	20,525
Audit Fees	35,500	1,250	36,750	36,750	
Architectural/Engineering Services	3,500	(3,000)	500		500
Other Purchased Professional Services	2,545	1,050	3,595	2,645	950
Communications / Telephone	25,465	9,978	35,443	31,388	4,055
BOE Other Purchased Services	8,436	3,694	12,130	11,910	220
Other Purch. Serv. (400-500 series other than 530 & 585)	40,000	4,454	44,454	44,203	251
General Supplies	2,500	(404)	2,096	1,703	393
BOE In-house training/ Meeting Supplies	2,000		2,000	1,171	829
Miscellaneous Expenditures	5,000	(3,000)	2,000	1,315	685
BOE Membership Dues and Fees	11,700		11,700	11,529	171
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>456,443</u>	<u>37,850</u>	<u>494,293</u>	<u>464,059</u>	<u>30,234</u>
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	267,285	89,365	356,650	356,023	627
Salaries of Other Professional Staff	62,000	(60,900)	1,100	623	477
Salaries of Secretarial and Clerical Assistants	118,702	6,719	125,421	125,420	1
Unused Vacation Payment to Terminated/Retired Staff		947	947	613	334
Other Purchased Services (400-500 series)	1,500	1,000	2,500	516	1,984
Supplies and Materials	6,900	(1,207)	5,693	3,996	1,697
Other Objects	4,000	1,074	5,074	4,864	210
Total Undist. Expend.-Support Serv.-School Adm.	<u>460,387</u>	<u>36,998</u>	<u>497,385</u>	<u>492,055</u>	<u>5,330</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	\$ 316,802	\$ 16,137	\$ 332,939	\$ 328,044	\$ 4,895
Unused Vacation Payment to Terminated/Retired Staff		16,660	16,660	2,853	13,807
Purchased Professional Services	22,000	(2,492)	19,508	19,508	
Purchased Technical Services	640	8,217	8,857	5,990	2,867
Miscellaneous Purchased Services (400-500 series other than 594)	2,300	(1,000)	1,300	639	661
Supplies and Materials	5,880	(1,000)	4,880	1,824	3,056
Interest on Lease Purchase Agreements	1,875	(1,600)	275		275
Other Objects	1,690	(400)	1,290	1,264	26
Total Undist. Expend. - Central Services	351,187	34,522	385,709	360,122	25,587
Undist. Expend. - Admin. Info. Technology:					
Purchased Technical Services	5,000		5,000	1,399	3,601
Total Undist. Expend. - Admin. Info. Technology	5,000		5,000	1,399	3,601
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	139,283	6,591	145,874	144,554	1,320
Cleaning, Repair, and Maintenance Services	126,447	47,465	173,912	107,576	66,336
General Supplies	41,705	(6,671)	35,034	34,022	1,012
Total Undist. Expend.- Required Maint. for School Facilities	307,435	47,385	354,820	286,152	68,668
Undist. Expend.-Custodial Services:					
Salaries	410,627	18,724	429,351	413,558	15,793
Unused Vacation Payment to Terminated/Retired Staff		4,410	4,410	4,410	
Purchased Professional and Technical Services	15,215	1,481	16,696	12,116	4,580
Cleaning, Repair, and Maintenance Services	85,650	(20,800)	64,850	61,957	2,893
Lease Purchase Pymts - Energy Savings Impr Prog	108,715		108,715	108,715	
Other Purchased Property Services	65,715	(10,910)	54,805	49,175	5,630
Insurance	270,000	41,496	311,496	311,495	1
Miscellaneous Purchased Services		700	700	665	35

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
General Supplies	\$ 64,888	\$ 18,881	\$ 83,769	\$ 70,530	\$ 13,239
Energy (Natural Gas)	1,800	(1,600)	200	41	159
Energy (Electricity)	343,403	(71,105)	272,298	176,321	95,977
Energy (Oil)	225,000	12,100	237,100	236,130	970
Other Objects		517	517	516	1
Total Undist. Expend.-Custodial Services	<u>1,591,013</u>	<u>(6,106)</u>	<u>1,584,907</u>	<u>1,445,629</u>	<u>139,278</u>
Care and Upkeep of Grounds:					
Salaries	170,489	(33,619)	136,870	132,329	4,541
Purchased Professional and Technical Services	26,500	(11,500)	15,000	13,459	1,541
Cleaning, Repair, and Maintenance Services	12,000	24,250	36,250	35,652	598
General Supplies	64,250	(34,650)	29,600	28,551	1,049
Other Objects	3,600	(3,600)			
Total Care And Upkeep Of Grounds	<u>276,839</u>	<u>(59,119)</u>	<u>217,720</u>	<u>209,991</u>	<u>7,729</u>
Security:					
Salaries	115,000	66,316	181,316	181,315	1
Purchased Professional and Technical Services	6,000	6,250	12,250	10,181	2,069
Cleaning, Repair, and Maintenance Services	2,500	(2,500)			
General Supplies	1,875		1,875	1,170	705
Other Objects	500		500	40	460
Total Security	<u>125,875</u>	<u>70,066</u>	<u>195,941</u>	<u>192,706</u>	<u>3,235</u>
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	<u>2,301,162</u>	<u>52,226</u>	<u>2,353,388</u>	<u>2,134,478</u>	<u>218,910</u>
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	287,579	32,270	319,849	303,027	16,822
Cleaning, Repair, and Maint. Services	63,045	1,343	64,388	64,388	
Rental Payments - School Buses	825		825		825
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	18,000	(6,500)	11,500	11,242	258
Contract. Serv.(Bet. Home & Sch.)-Vendors	675,090	(27,231)	647,859	644,865	2,994

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	\$ 78,200	\$ 38,455	\$ 116,655	\$ 116,653	\$ 2
Contract. Serv.(Bet. Home & Sch.)-Joint Agrmnts.	234,455	(11,828)	222,627	222,627	
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts	1,041,736	(3,323)	1,038,413	959,482	78,931
Misc. Purchased Serv. - Transportation	17,960	(3,300)	14,660	14,247	413
General Supplies	600		600	303	297
Transportation Supplies	90,016	(22,432)	67,584	58,479	9,105
Other Objects	1,420		1,420	770	650
Total Undist. Expend.-Student Trans. Serv.	<u>2,508,926</u>	<u>(2,546)</u>	<u>2,506,380</u>	<u>2,396,083</u>	<u>110,297</u>
UNALLOCATED BENEFITS					
Social Security Contributions	250,000	11,273	261,273	261,272	1
Other Retirement Contributions - PERS	325,000	3,036	328,036	328,036	
Other Retirement Contributions - Regular		8,000	8,000	6,981	1,019
Unemployment Compensation	69,236	(1,300)	67,936	34,135	33,801
Workers Compensation	187,954	(33,600)	154,354	154,319	35
Health Benefits	2,802,712	(152,558)	2,650,154	2,650,024	130
Tuition Reimbursement	57,457	(14,401)	43,056	35,670	7,386
Other Employee Benefits	20,723	104,308	125,031	19,464	105,567
TOTAL UNALLOCATED BENEFITS	<u>3,713,082</u>	<u>(75,242)</u>	<u>3,637,840</u>	<u>3,489,901</u>	<u>147,939</u>
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				871,780	(871,780)
TPAF Pension Contributions (Non-Budgeted)				3,273,157	(3,273,157)
TPAF Non-Contributory Insurance (Non-Budgeted)				45,411	(45,411)
TPAF Long-Term Disability Insurance (Non-Budgeted)				712	(712)
Reimbursed TPAF Social Security Contributions				636,371	(636,371)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				<u>4,827,431</u>	<u>(4,827,431)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>3,713,082</u>	<u>(75,242)</u>	<u>3,637,840</u>	<u>8,317,332</u>	<u>(4,679,492)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>14,500,848</u>	<u>68,277</u>	<u>14,569,125</u>	<u>18,482,241</u>	<u>(3,913,116)</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL GENERAL CURRENT EXPENSE	\$ 23,099,814	\$ (61,657)	\$ 23,038,157	\$ 26,742,070	\$ (3,703,913)
CAPITAL OUTLAY					
Equipment					
Grades 9-12		15,355	15,355	12,253	3,102
Undist. Expend. - Required Maint for School Fac.		8,064	8,064	8,064	
Undist. Expend. - Custodial Services		23,049	23,049	23,049	
Total Equipment		46,468	46,468	43,366	3,102
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services		59,505	59,505		59,505
Other Purchased Prof. and Tech. Services	3,690		3,690		3,690
Construction Services		10,606	10,606	10,606	
Assessment for Debt Service on SDA Funding	4,496		4,496	4,496	
Total Facilities Acquisition and Const. Serv.	8,186	70,111	78,297	15,102	63,195
TOTAL CAPITAL OUTLAY	8,186	116,579	124,765	58,468	66,297
TOTAL EXPENDITURES	23,108,000	54,922	23,162,922	26,800,538	3,637,616
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(1,044,211)	(54,506)	(1,098,717)	213,001	1,311,718
Fund Balance, July 1	4,645,802		4,645,802	4,645,802	
Fund Balance, June 30	\$ 3,601,591	\$ (54,506)	\$ 3,547,085	\$ 4,858,803	\$ 1,311,718

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2024-2025	\$ 941,647				
Excess Surplus - Restricted For 2023-2024	1,017,813				
Capital Reserve	1,823,126				
Maintenance Reserve	157,140				
Assigned Fund Balance:					
Year End Encumbrances	312,387				
Unassigned Fund Balance	606,690				
	<u>4,858,803</u>				
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				<u>(350,779)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,508,024</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 361,672	\$ 361,672	\$ 288,603	\$ (73,069)
State Sources		29,007	29,007	28,207	(800)
Federal Sources	\$ 710,283	923,851	1,634,134	646,388	(987,746)
Total Revenues	710,283	1,314,530	2,024,813	963,198	(1,061,615)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	219,000	98,502	317,502	86,361	231,141
Other Salaries		28,500	28,500	19,142	9,358
Purchased Professional/Educational Services	100,000	(93,000)	7,000	177	6,823
Other Purchased Services	196,119	(103,772)	92,347	69,522	22,825
General Supplies	36,416	209,750	246,166	55,199	190,967
Other Objects		65,922	65,922	4,644	61,278
Scholarship		55,791	55,791	55,791	
Student Activities		296,513	296,513	296,513	
Total Instruction	551,535	558,206	1,109,741	587,349	522,392
Support Services:					
Salaries of Other Professional Staff		11,451	11,451	11,451	
Personal Service - Employee Benefits		19,871	19,871	1,599	18,272
Purchased Professional/Educational Services		157,755	157,755	34,796	122,959
Purchased Professional/Technical Services		127,890	127,890	112,689	15,201
Purchased Property Services		206,813	206,813	17,701	189,112
Other Purchased Services	158,748	116,067	274,815	251,056	23,759
Supplies and Materials		11,582	11,582	3,445	8,137
Total Support Services	158,748	651,429	810,177	432,737	377,440

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment		\$ 95,214	\$ 95,214		\$ 95,214
Instructional Equipment		9,681	9,681	\$ 9,681	
Total Facilities Acquisition and Construction Services		104,895	104,895	9,681	95,214
Total Expenditures	\$ 710,283	\$ 1,314,530	\$ 2,024,813	\$ 1,029,767	\$ 995,046
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ (66,569)	\$ (66,569)

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 27,013,539	\$ 963,198
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, whereas the GAAP Basis does not		(85,974)
Prior Year State Aid Payments Not Recognized for Budgetary Purposes, Recognized for GAAP Statements	409,235	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(350,779)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 27,071,995</u>	<u>\$ 877,224</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 26,800,538	\$ 1,029,767
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		<u>(85,974)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 26,800,538</u>	<u>\$ 943,793</u>

Annual appropriated budgets are prepared in the spring of each year for the General and Special Revenue Funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. 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.6:20-2A.2(m)l. Transfers of appropriations may be made by school board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 special revenue fund as noted below. Encumbrance accounting employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

The General Fund budgetary revenue differs from the GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording these state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Student Activities</u>	<u>Scholarships</u>	<u>Local Grant</u>	<u>Climate Change Awareness</u>	<u>Emergent and Capital Maintenance Needs Grant</u>
REVENUE:					
Local Sources	\$ 273,110	\$ 12,625	\$ 2,868		
State Sources				\$ 5,860	\$ 22,347
Federal Sources					
Total Revenue	<u>\$ 273,110</u>	<u>\$ 12,625</u>	<u>\$ 2,868</u>	<u>\$ 5,860</u>	<u>\$ 22,347</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers				5,283	
Other Salaries					
Purchased Professional/Educational Services					
Other Purchased Services					22,347
General Supplies					
Other Objects					
Scholarship		55,791			
Student Activities	296,513				
Total Instruction	<u>296,513</u>	<u>55,791</u>		<u>5,283</u>	<u>22,347</u>
Support Services:					
Salaries of Other Professional Staff					
Personnel Service - Employee Benefits					
Purchased Professional - Educational Services					
Purchased Professional/Technical Services					
Purchased Property Services					
Other Purchased Services					
Supplies and Materials			2,868	577	
Total Support Services			<u>2,868</u>	<u>577</u>	
Facilities Acquisition:					
Instructional Equipment					
Total Facilities Acquisition					
Total Expenditures	<u>\$ 296,513</u>	<u>\$ 55,791</u>	<u>\$ 2,868</u>	<u>\$ 5,860</u>	<u>\$ 22,347</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>ACSERS</u>	<u>IDEA Part B Basic</u>	<u>Elementary and Secondary Education Act</u>		
			<u>Title I</u>	<u>Title IIA</u>	<u>Title IV</u>
REVENUE:					
Local Sources					
State Sources					
Federal Sources	\$ 90,658	\$ 206,580	\$ 80,508	\$ 17,734	\$ 10,000
Total Revenue	<u>\$ 90,658</u>	<u>\$ 206,580</u>	<u>\$ 80,508</u>	<u>\$ 17,734</u>	<u>\$ 10,000</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	58,893		19,000		
Other Salaries					
Purchased Professional/Educational Services					
Other Purchased Services					
General Supplies			28,900		4,700
Other Objects			2,654		
Scholarship					
Student Activities					
Total Instruction	<u>58,893</u>		<u>50,554</u>		<u>4,700</u>
Support Services:					
Salaries of Other Professional Staff	9,551				
Personal Service - Employee Benefits			1,454		
Purchased Professional/Educational Services	22,214				
Purchased Professional/Technical Services			17,000		
Purchased Property Services					
Other Purchased Services		206,580	11,500	17,734	5,300
Supplies and Materials					
Total Support Services	<u>31,765</u>	<u>206,580</u>	<u>29,954</u>	<u>17,734</u>	<u>5,300</u>
Facilities Acquisition:					
Instructional Equipment					
Total Facilities Acquisition					
Total Expenditures	<u>\$ 90,658</u>	<u>\$ 206,580</u>	<u>\$ 80,508</u>	<u>\$ 17,734</u>	<u>\$ 10,000</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Perkins Vocational Education	Accelerated Learning	CRSSA - Mental Health	ESSER II
REVENUE:				
Local Sources				
State Sources				
Federal Sources	\$ 26,197	\$ 9,622	\$ 19,464	\$ 78,957
Total Revenue	<u>\$ 26,197</u>	<u>\$ 9,622</u>	<u>\$ 19,464</u>	<u>\$ 78,957</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers		3,185		
Other Salaries				
Purchased Professional/Educational Services		177		
Other Purchased Services				
General Supplies	13,270			8,329
Other Objects	400			
Scholarship				
Student Activities				
Total Instruction	<u>13,670</u>	<u>3,362</u>		<u>8,329</u>
Support Services:				
Salaries of Other Professional Staff	1,900			
Personal Service - Employee Benefits	145			
Purchased Professional/Educational Services				
Purchased Professional/Technical Services		6,260	18,801	70,628
Purchased Property Services				
Other Purchased Services	801		663	
Supplies and Materials				
Total Support Services	<u>2,846</u>	<u>6,260</u>	<u>19,464</u>	<u>70,628</u>
Facilities Acquisition:				
Instructional Equipment	9,681			
Total Facilities Acquisition	<u>9,681</u>			
Total Expenditures	<u>\$ 26,197</u>	<u>\$ 9,622</u>	<u>\$ 19,464</u>	<u>\$ 78,957</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	American Recovery Program			Total
	Learning Acceleration	Mental Health	ESSER III	
REVENUE:				
Local Sources				\$ 288,603
State Sources				28,207
Federal Sources	\$ 31,812	\$ 17,701	\$ 57,155	646,388
Total Revenue	<u>\$ 31,812</u>	<u>\$ 17,701</u>	<u>\$ 57,155</u>	<u>\$ 963,198</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers				86,361
Other Salaries	19,142			19,142
Purchased Professional/Educational Services				177
Other Purchased Services			47,175	69,522
General Supplies				55,199
Other Objects			1,590	4,644
Scholarship				55,791
Student Activities				296,513
Total Instruction	<u>19,142</u>		<u>48,765</u>	<u>587,349</u>
Support Services:				
Salaries of Other Professional Staff				11,451
Personal Service - Employee Benefits				1,599
Purchased Professional/Educational Services	12,582			34,796
Purchased Professional/Technical Services				112,689
Purchased Property Services		17,701		17,701
Other Purchased Services	88		8,390	251,056
Supplies and Materials				3,445
Total Support Services	<u>12,670</u>	<u>17,701</u>	<u>8,390</u>	<u>432,737</u>
Facilities Acquisition:				
Instructional Equipment				9,681
Total Facilities Acquisition				<u>9,681</u>
Total Expenditures	<u>\$ 31,812</u>	<u>\$ 17,701</u>	<u>\$ 57,155</u>	<u>\$ 1,029,767</u>

CAPITAL PROJECTS FUND

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenue and Other Financing Sources:	
Federal Sources - SSB-VEEVR Grant	<u>\$ 1,981,350</u>
Total Revenue and Other Financing Sources	<u>1,981,350</u>
Expenditures:	
Purchased Professional and Technical Services	<u>109,510</u>
Total Expenditures	<u>109,510</u>
Excess of Revenue and Other Financing Sources Over Expenditures	1,871,840
Fund Balance - Beginning of Year	<u> </u>
Fund Balance - End of Year	<u><u>\$ 1,871,840</u></u>
Recapitulation of Fund Balance	
Committed - Year-End Encumbrances	\$ 252,640
Committed	<u>1,619,200</u>
Fund Balance per Governmental Funds (Budgetary Basis)	1,871,840
Reconciliation to Governmental Funds Statement (GAAP):	
Grants not Recognized on the GAAP Basis	<u>(1,981,350)</u>
Unassigned Fund Balance/(Deficit) per Governmental Funds (GAAP)	<u><u>\$ (109,510)</u></u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
HVAC UPGRADES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Totals	Authorized Cost
Revenue and Other Financing Sources:				
Federal Sources - SSB-VEEVR Grant		\$ 1,981,350	\$ 1,981,350	\$ 1,981,350
Total Revenue and Other Financing Sources		1,981,350	1,981,350	1,981,350
Expenditures:				
Purchased Professional and Technical Services		109,510	109,510	400,000
Construction Services				1,581,350
Total Expenditures		109,510	109,510	1,981,350
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ -0-	\$ 1,871,840	\$ 1,871,840	\$ -0-

Additional Project Information:

Project Number	SSB-VEEVR #68420
Grant Date	12/19/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,981,350
Percentage Completion	5.53%
Original Target Completion Date	12/19/23

PROPRIETARY FUNDS

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS:	Major Funds		Non-Major Funds		Totals
	Food Service Fund	Transportation Services	Adult School	School Store	
Current Assets:					
Cash and Cash Equivalents	\$ 262,041	\$ 173,936	\$ 6,630	\$ 9,021	\$ 451,628
Accounts Receivable:					
State	144				144
Federal	4,109				4,109
Intergovernmental - Other	22,588	187,311			209,899
Inventories	5,677				5,677
Total Current Assets	294,559	361,247	6,630	9,021	671,457
Non-Current Assets:					
Capital Assets	369,067	305,482			674,549
Less: Accumulated Depreciation	(321,053)	(173,451)			(494,504)
Total Non-Current Assets	48,014	132,031			180,045
Total Assets	342,573	493,278	6,630	9,021	851,502

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023

	Major Funds		Non-Major Funds		Totals
	Food Service Fund	Transportation Services	Adult School	School Store	
<u>LIABILITIES:</u>					
Current Liabilities:					
Accounts Payable - Vendors	\$ 24,042				\$ 24,042
Interfund Payable - General Fund	76,211				76,211
Unearned Revenue - Prepaid Sales	2,574				2,574
Unearned Revenue - Supply Chain Assistance	9,118				9,118
Unearned Revenue - Donated Commodities	1,343				1,343
Total Current Liabilities	113,288				113,288
<u>NET POSITION:</u>					
Net Investment in Capital Assets	48,014	132,031			180,045
Unrestricted	181,271	361,247	6,630	9,021	558,169
Total Net Position	\$ 229,285	\$ 493,278	\$ 6,630	\$ 9,021	\$ 738,214

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non-Major Funds		Totals
	Food Service Fund	Transportation Services	Adult School	School Store	
Operating Revenue:					
Local Sources:					
Daily Sales - Reimbursable Programs	\$ 111,693				\$ 111,693
Daily Sales - Non Reimbursable Programs	137,586				137,586
Satellite Sales	121,136				121,136
Program Fees		\$ 1,506,783	\$ 1,312	\$ 1,813	1,509,908
Total Operating Revenue	370,415	1,506,783	1,312	1,813	1,880,323
Operating Expenses:					
Cost of Sales - Reimbursable Programs	125,414				125,414
Cost of Sales - Non Reimbursable Programs	133,129				133,129
Salaries, Benefits & Payroll Taxes	221,618				221,618
Management Fee	22,100				22,100
Depreciation Expense	4,171	24,006			28,177
Other Miscellaneous Expenses	12,150	1,457,868	3,915	14,448	1,488,381
Total Operating Expenses	518,582	1,481,874	3,915	14,448	2,018,819
Operating Income/(Loss)	(148,167)	24,909	(2,603)	(12,635)	(138,496)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non-Major Funds		Totals
	Food Service Fund	Transportation Services	Adult School	School Store	
Non-Operating Revenue:					
Local Sources:					
Interest Income	\$ 127				\$ 127
State Sources:					
State School Breakfast Program	50				50
State School Lunch Program	3,133				3,133
Federal Sources:					
National School Lunch Program	75,142				75,142
School Breakfast Program	9,605				9,605
Food Distribution Program	34,683				34,683
Supply Chain Assistance Program	41,914				41,914
Total Non-Operating Revenue	164,654				164,654
Change in Net Position	16,487	\$ 24,909	\$ (2,603)	\$ (12,635)	26,158
Net Position - Beginning of Year, Restated	212,798	468,369	9,233	21,656	712,056
Net Position - End of Year	\$ 229,285	\$ 493,278	\$ 6,630	\$ 9,021	\$ 738,214

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non-Major Funds		Totals
	Food Service Fund	Transportation Services	Adult School	School Store	
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 405,623	\$ 1,433,328	\$ 1,312	\$ 1,813	\$ 1,842,076
Payments to Employees	(221,618)				(221,618)
Payments to Food Service Vendor	(220,656)	(1,457,868)	(3,915)	(5,470)	(220,656)
Payments to Suppliers	(12,150)				(1,479,403)
Net Cash Provided by/(Used for) Operating Activities	(48,801)	(24,540)	(2,603)	(3,657)	(79,601)
Cash Flows from Noncapital Financing Activities:					
Cash Received from State Sources	3,417				3,417
Cash Received from Federal Sources	151,241				151,241
Current Year Interfund Returned - General Fund					-
Net Cash Provided by Noncapital Financing Activities	154,658				154,658
Cash Flows from Capital Financing Activities:					
Financed Purchase Principal Payment		(20,725)			(20,725)
Net Cash/(Used for) Capital Financing Activities		(20,725)			(20,725)
Cash Flows from Investing Activities:					
Investment Income	127				127
Net Cash Flows Provided by Investing Activities:	127				127
Net Increase/(Decrease) in Cash and Cash Equivalents	105,984	(45,265)	(2,603)	(3,657)	54,459
Cash and Cash Equivalents, July 1	156,057	219,201	9,233	12,678	397,169
Cash and Cash Equivalents, June 30	\$ 262,041	\$ 173,936	\$ 6,630	\$ 9,021	\$ 451,628

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non-Major Funds		Totals
	Food Service	Transportation	Adult	School	
	Fund	Services	School	Store	
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:					
Operating Income/(Loss)	\$ (148,167)	\$ 24,909	\$ (2,603)	\$ (12,635)	\$ (138,496)
Adjustment to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities:					
Federal Food Distribution Program	34,683				34,683
Depreciation	4,171	24,006			28,177
Changes in Assets and Liabilities:					
(Increase)/Decrease in Accounts Receivable	35,208	(73,455)			(38,247)
(Increase)/Decrease in Inventory	1,034			8,978	10,012
Increase/(Decrease) in Accounts Payable	23,956				23,956
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	(178)				(178)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	492				492
Net Cash Provided by/(Used for) Operating Activities	\$ (48,801)	\$ (24,540)	\$ (2,603)	\$ (3,657)	\$ (79,601)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. donated commodities through the Food Distribution Program valued at \$35,175 and utilized commodities valued at \$34,683. The Transportation Services Fund paid down \$20,725 of financed purchases payable.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOT APPLICABLE

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2022</u>	<u>Matured</u>	<u>Balance June 30, 2023</u>
Energy Savings Equipment	1.075%	\$ 1,327,620	\$ 560,036	\$ 96,844	\$ 463,192
Bus	3.770%	100,000	20,725	20,725	
			<u>\$ 580,761</u>	<u>\$ 117,569</u>	<u>\$ 463,192</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOT APPLICABLE

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER SUBSCRIPTION -BASED
INFORMATION TECHNOLOGY ARRANGEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOT APPLICABLE

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

NOT APPLICABLE

STATISTICAL SECTION
(UNAUDITED)

This part of the School’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School’s overall financial health.

Contents

	<u>Exhibit</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the School's financial performance and well-being have changed over time.	J-1 thru J-5
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the School's ability to generate its property taxes.	J-6 thru J-9
Debt Capacity	
These schedules present information to help the reader assess the affordability of the School's current levels of outstanding debt and the School's ability to issue additional debt in the future.	J-10 thru J-13
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
Operating Information	
These schedules contain information about the School's operations and resources to help the reader understand how the School's financial information relates to the services the School provides and the activities it performs.	J-16 thru J-20

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 UNAUDITED
(accrual basis of accounting)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023
Governmental Activities										
Net Investment in Capital Assets	\$ 5,122,169	\$ 6,435,416	\$ 6,944,055	\$ 4,037,258	\$ 3,776,813	\$ 3,677,092	\$ 3,468,837	\$ 3,260,067	\$ 3,315,256	\$ 3,293,783
Restricted	3,251,378	2,704,749	1,955,513	1,173,366	724,918	328,854	923,496	2,284,663	3,172,844	4,067,331
Unrestricted/(Deficit)	(6,004,806)	(6,914,660)	(6,728,563)	(7,406,890)	(7,242,497)	(8,124,176)	(7,870,174)	(6,451,896)	(5,432,395)	(5,251,229)
Total Governmental Activities Net Position/(Deficit)	\$ 2,368,741	\$ 2,225,505	\$ 2,171,005	\$ (2,196,266)	\$ (2,740,766)	\$ (4,118,230)	\$ (3,477,841)	\$ (907,166)	\$ 1,055,705	\$ 2,109,885
Business-Type Activities										
Net Investment in Capital Assets	\$ 27,265	\$ 26,936	\$ 26,607	\$ 6,645	\$ 3,412	\$ 7,846	\$ 26,523	\$ 62,935	\$ 187,497	\$ 180,045
Unrestricted	632,853	596,048	408,925	298,278	356,475	332,064	353,125	346,644	524,559	558,169
Total Business-Type Activities Net Position	\$ 660,118	\$ 622,984	\$ 435,532	\$ 304,923	\$ 359,887	\$ 339,910	\$ 379,648	\$ 409,579	\$ 712,056	\$ 738,214
District-Wide										
Net Investment in Capital Assets	\$ 5,149,434	\$ 6,462,352	\$ 6,970,662	\$ 4,043,903	\$ 3,780,225	\$ 3,684,938	\$ 3,495,360	\$ 3,323,002	\$ 3,502,753	\$ 3,473,828
Restricted	3,251,378	2,704,749	1,955,513	1,173,366	724,918	328,854	923,496	2,284,663	3,172,844	4,067,331
Unrestricted/(Deficit)	(5,371,953)	(6,318,612)	(6,319,638)	(7,108,612)	(6,886,022)	(7,792,112)	(7,517,049)	(6,105,252)	(4,907,836)	(4,693,060)
Total District Net Position/(Deficit)	\$ 3,028,859	\$ 2,848,489	\$ 2,606,537	\$ (1,891,343)	\$ (2,380,879)	\$ (3,778,320)	\$ (3,098,193)	\$ (497,587)	\$ 1,767,761	\$ 2,848,099

Source: School District Financial Reports

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION LAST TEN FISCAL YEARS

UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Instruction										
Regular	\$ 10,363,494	\$ 11,520,175	\$ 12,906,396	\$ 15,029,523	\$ 13,581,093	\$ 13,650,532	\$ 11,624,322	\$ 12,542,588	\$ 11,186,337	\$ 9,452,587
Special Education	2,034,921	2,832,984	3,605,207	3,470,736	3,032,494	3,044,342	2,897,766	1,970,863	2,782,737	2,477,642
School Sponsored/Other Instruction	1,339,062	1,452,353	1,327,911	1,409,864	1,356,993	1,340,348	1,182,998	1,143,911	1,039,335	1,194,776
Support Services:										
Tuition	1,249,788	1,258,017	1,052,244	1,087,347	1,310,444	1,617,791	1,709,634	1,701,072	1,865,002	1,969,940
Student & Instruction Related Services	3,528,804	3,975,858	3,700,324	4,064,234	3,630,046	3,449,346	3,060,943	2,967,812	2,739,840	2,857,359
General Administrative Services	1,037,768	1,172,827	1,028,969	1,157,618	511,751	502,442	493,465	514,736	514,643	544,200
School Administrative Services	560,774	619,516	522,149	485,017	916,378	864,739	796,659	790,482	743,802	706,064
Central Services	444,486	454,485	415,685	438,096	438,325	428,373	367,533	347,882	334,018	374,956
Administrative Information Technology	59,367	45,554	39,043	30,687	22,034	24,697	24,756	4,265	28,536	1,399
Plant Operations And Maintenance	2,808,908	2,569,793	2,538,115	2,983,794	2,247,712	2,669,861	2,029,654	1,949,149	1,991,504	2,117,477
Pupil Transportation	1,972,685	1,936,193	1,799,896	1,911,202	1,908,858	1,973,655	1,998,400	1,945,649	2,244,435	2,608,830
Interest On Long-Term Debt	18,834	9,875	396							
Unallocated Depreciation					224,145					
Capital Outlay	4,496	36,399	29,968	35,661	11,593	211,590	4,496	4,496		
Total Governmental Activities Expenses	25,418,891	27,884,029	28,966,303	32,103,779	29,191,866	29,777,716	26,190,626	25,882,905	25,470,189	24,305,230
Business-type activities:										
Food Service	360,017	409,611	470,378	430,342	351,359	339,498	254,195	116,318	539,027	518,582
Transportation Services	760,481	23,000	27,594	1,077,985	955,971	1,193,826	1,086,923	884,316	922,793	1,481,874
Adult School	11,328	17,777	15,698	6,103	6,780	3,766	2,374	1,746	3,652	3,915
School Store	15,933	769,623	1,134,769	20,898	6,936	8,361	4,340	953	21,380	14,448
Total Business-Type Activities Expense	1,147,759	1,220,011	1,648,439	1,535,328	1,321,046	1,545,451	1,347,832	1,003,333	1,486,852	2,018,819
Total District Expenses	26,566,650	29,104,040	30,614,742	33,639,107	30,512,912	31,323,167	27,538,458	26,886,238	26,957,041	26,324,049
Program Revenues										
Governmental Activities:										
Charges For Services:										
Tuition	286,804	678,827	999,366	895,190	1,275,757	1,430,012	1,349,257	1,314,806	1,081,788	937,154
Operating Grants and Contributions	8,672,786	11,162,696	12,079,638	14,245,327	12,992,861	12,668,237	10,780,925	10,522,628	9,534,286	7,088,821
Capital Grants and Contributions				628,906						
Total Governmental Activities Program Revenues	8,959,590	11,841,523	13,079,004	15,769,423	14,268,618	14,098,249	12,130,182	11,837,434	10,616,074	8,025,975

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION LAST TEN FISCAL YEARS

UNAUDITED
(accrual basis of accounting)
(Continued)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-Type Activities:										
Charges for Services										
Food Service	\$ 316,329	\$ 306,413	\$ 359,346	\$ 309,357	\$ 284,133	\$ 261,074	\$ 156,999	\$ 665	\$ 358,235	\$ 370,415
Transportation Services	772,975	770,362	998,543	1,015,575	1,003,619	1,179,068	1,128,506	906,208	943,389	1,506,783
Adult School	13,269	10,383	6,590	7,090	4,407	2,927	2,125	250	8,779	1,312
School Store	20,064	14,422	15,187	16,650	10,584	7,676	4,561	500	22,271	1,813
Operating Grants and Contributions										
Food Service	65,996	81,112	81,189	74,522	73,208	74,671	64,293	97,966	340,453	164,527
Total Business Type Activities Program Revenues	1,188,633	1,182,692	1,460,855	1,423,194	1,375,951	1,525,416	1,356,484	1,005,589	1,673,127	2,044,850
Total District Program Revenues	10,148,223	13,024,215	14,539,859	17,192,617	15,644,569	15,623,665	13,486,666	12,843,023	12,289,201	10,070,825
Net (Expense)/Revenue										
Governmental Activities	(16,459,301)	(16,042,506)	(15,887,299)	(16,334,356)	(14,923,248)	(15,679,467)	(14,060,444)	(14,045,471)	(14,854,115)	(16,279,255)
Business-Type Activities	40,874	(37,319)	(187,584)	(112,134)	54,905	(20,035)	8,652	2,256	186,275	26,031
Total District-Wide Net Expense	(16,418,427)	(16,079,825)	(16,074,883)	(16,446,490)	(14,868,343)	(15,699,502)	(14,051,792)	(14,043,215)	(14,667,840)	(16,253,224)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	15,878,434	15,612,914	15,612,914	15,401,826	14,356,619	14,256,964	14,537,446	16,572,883	16,904,342	17,242,428
Property Taxes Levied for Debt Service, Net	192,538	194,000	194,749							
Federal and State Aid not Restricted			11,214	11,617	9,351	19,763	9,935	8,635	11,160	20,893
Investment Earnings	1,480	738	2,721	2,618	2,003	1,525	923	1,300	978	2,379
Miscellaneous Income	559,503	91,618	11,201	65,214	10,775	23,751	13,325	33,328	16,660	67,735
Transfers							(31,054)		(41,367)	
Other Item - Cancellation of Prior Year Receivable							(20,720)			
Total Governmental Activities	16,631,955	15,899,270	15,832,799	15,481,275	14,378,748	14,302,003	14,509,855	16,616,146	16,891,773	17,333,435
Business-Type Activities:										
Investment Earnings	188	185	132	80	59	58	32	32	48	127
Transfers				5,388			31,054	31,054	41,367	
Total Business-Type Activities	188	185	132	5,468	59	58	31,086	31,086	41,415	127
Total District-Wide	16,632,143	15,899,455	15,832,931	15,486,743	14,378,807	14,302,061	14,540,941	16,647,232	16,933,188	17,333,562
Change in Net Position										
Governmental Activities	172,654	(143,236)	(54,500)	(853,081)	(544,500)	(1,377,464)	449,411	2,570,675	2,037,658	1,054,180
Business-Type Activities	41,062	(37,134)	(187,452)	(106,666)	54,964	(19,977)	39,738	33,342	227,690	26,158
Total District	\$ 213,716	\$ (180,370)	\$ (241,952)	\$ (959,747)	\$ (489,536)	\$ (1,397,441)	\$ 489,149	\$ 2,604,017	\$ 2,265,348	\$ 1,080,338

Source: School District Financial Reports

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 3,251,375	\$ 2,704,746	\$ 1,955,511	\$ 1,173,364	\$ 724,918	\$ 328,854	\$ 732,518	\$ 2,109,878	\$ 2,978,670	\$ 3,939,726
Assigned	326,794	6,752	701,377	387,133	802,220	(31,230)	150,619	856,465	518,272	312,387
Unassigned/(Deficit)								475,876	739,625	255,911
Total General Fund	\$ 3,578,169	\$ 2,711,498	\$ 2,656,888	\$ 1,560,497	\$ 1,527,138	\$ 297,624	\$ 883,137	\$ 3,442,219	\$ 4,236,567	\$ 4,508,024
All Other Governmental Funds										
Restricted	\$ 3	\$ 3	\$ 2	\$ 2			\$ 190,978	\$ 174,785	\$ 194,174	\$ 127,605
Unassigned/(Deficit)		(326,178)	(448,221)							(109,510)
Total All Other Governmental Funds/(Deficit)	\$ 3	\$ 3	\$ 2	\$ 2	\$ -0-	\$ -0-	\$ 190,978	\$ 174,785	\$ 194,174	\$ 18,095
Total Fund Balances	\$ 3,578,172	\$ 2,711,501	\$ 2,656,890	\$ 1,560,499	\$ 1,527,138	\$ 297,624	\$ 1,074,115	\$ 3,617,004	\$ 4,430,741	\$ 4,526,119

Source: School District Financial Reports

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 16,070,972	\$ 15,806,914	\$ 15,807,663	\$ 15,401,826	\$ 14,356,619	\$ 14,256,964	\$ 14,537,446	\$ 16,572,883	\$ 16,904,342	\$ 17,242,428
Tuition Charges	286,804	678,827	999,366	895,190	1,275,757	1,430,012	1,349,257	1,314,806	1,081,788	937,154
Interest Earnings	1,480	738	2,721	2,618				1,300	978	2,379
Miscellaneous	563,483	91,738	11,201	65,214	12,778	25,276	16,380	159,793	288,538	356,338
State Sources	8,345,837	8,563,950	8,942,705	10,054,614	9,514,688	9,764,351	9,350,570	9,455,670	9,708,249	8,824,518
Federal Sources	322,969	330,033	360,265	360,554	327,399	364,373	317,130	362,984	584,820	586,402
Total Revenue	25,591,545	25,472,200	26,123,921	26,780,016	25,487,241	25,840,976	25,570,783	27,867,436	28,568,715	27,949,219
Expenditures										
Instruction										
Regular Instruction	7,292,041	7,333,948	7,141,892	7,239,685	6,852,811	6,960,735	6,440,096	6,456,151	6,591,144	6,117,640
Special Education Instruction	1,402,857	1,840,101	2,120,461	1,826,498	1,612,789	1,673,196	1,781,383	1,743,939	1,741,002	1,714,321
School Sponsored/Other Instruction	1,126,805	942,668	983,365	1,007,388	978,951	983,737	893,518	888,496	923,875	1,009,676
Support Services:										
Tuition	1,249,788	1,258,017	1,052,244	1,087,347	1,310,444	1,617,791	1,709,634	1,701,072	1,865,002	1,969,940
Student & Instruction Related Services	2,628,171	2,642,584	2,858,031	2,993,720	2,768,836	2,700,561	2,519,073	2,523,342	2,769,553	2,699,077
General Administrative Services	729,378	731,483	633,283	646,730	446,470	440,177	429,287	440,903	444,608	464,059
School Administrative Services	450,452	412,650	459,224	409,997	530,458	462,437	475,778	427,712	444,841	492,055
Central Services	326,503	297,317	325,871	321,226	325,960	336,329	297,580	292,227	327,226	360,122
Administrative Information Technology	45,760	45,554	39,043	30,687	22,034	24,697	24,756	4,265	28,536	1,399
Plant Operations And Maintenance	2,458,425	2,033,876	2,275,447	2,626,618	2,107,812	2,567,095	1,896,913	1,850,921	2,039,075	2,134,478
Pupil Transportation	1,772,029	1,698,644	1,645,355	1,746,071	1,798,127	1,735,647	1,772,187	1,676,069	1,990,953	2,396,083
Employee Benefits	5,600,421	5,611,377	5,771,626	6,399,939	6,643,902	7,185,324	6,647,500	7,251,587	8,163,206	8,317,332
Capital Outlay	887,490	1,622,830	799,983	463,374	122,008	382,854	45,701	67,863	384,590	177,659
Debt Service:										
Principal	170,000	180,000	190,000							
Interest And Other Charges	22,537	14,000	4,750							
Total Expenditures	26,162,657	26,665,049	26,300,575	26,799,280	25,520,602	27,070,580	24,933,406	25,324,547	27,713,611	27,853,841
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(571,112)	(1,192,849)	(176,654)	(19,264)	(33,361)	(1,229,604)	637,377	2,542,889	855,104	95,378

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

(Continued)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing Sources (Uses)										
Transfers In		\$ 1,050,090			\$					
Transfers Out		(1,050,090)			(2)		\$ (31,054)		\$ (41,367)	
Cancellation of Prior Year Receivable							(20,720)			
Total Other Financing Sources (Uses)	\$ -0-	-0-	\$ -0-	\$ -0-	-0-	\$ -0-	(51,774)	-0-	(41,367)	-0-
Net Change In Fund Balances	\$ (571,112)	\$ (1,192,849)	\$ (176,654)	\$ (19,264)	\$ (33,361)	\$ (1,229,604)	\$ 585,603	\$ 2,542,889	\$ 813,737	\$ 95,378
Debt Service As A Percentage Of Noncapital Expenditures	0.76%	0.77%	0.76%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: School District Financial Reports

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Tuition	Interest	Refunds	Transportation		Student Operated Cafeteria		Miscellaneous	Total
				Fees					
2014	\$ 286,804	\$ 5,274	\$ 505,204	\$ 32,897	\$ 10,412	\$ 7,196	\$ 847,787		
2015	678,827	3,741	1,242	52,153	13,134	22,086	771,183		
2016	999,366	2,721				9,201	1,011,288		
2017	895,190	2,618	10,091		413	54,710	963,022		
2018	1,275,757	2,003				10,775	1,288,535		
2019	1,430,012	1,525				18,761	1,450,298		
2020	1,349,257	923				13,325	1,363,505		
2021	1,314,806	1,300				33,328	1,349,434		
2022	1,081,788	978				16,660	1,099,426		
2023	937,154	2,379	42,129			25,606	1,007,268		

Source: High Point Regional High School District District Records

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY.
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Total Assessed Value										Public Utilities	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)	
	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Value	Value	Value	Value					
<u>Branchville Borough</u>															
2013	\$ 2,254,350	\$ 71,576,400	\$ 418,300	\$ 57,609,100	\$ 1,388,000	\$ 133,251,650	\$ 206,820	\$ 133,458,470	\$ 0.606	\$ 148,310,732					
2014	2,333,050	71,358,600	423,800	57,285,300	1,388,000	132,788,750	213,947	133,002,697	0.582	139,687,493					
2015	2,254,350	71,333,600	423,800	57,167,000	1,388,000	132,566,750	247,390	132,814,140	0.583	127,085,808					
2016	1,905,150	71,432,300	440,500	52,639,200	1,388,000	127,805,150	220,899	128,026,049	0.429	125,626,181					
2017	1,905,150	71,055,300	434,000	53,816,100	1,388,000	128,598,550		128,598,550	0.423	142,122,836					
2018	2,138,600	71,256,600	419,200	54,317,900	1,388,000	129,520,300		129,520,300	0.457	128,225,339					
2019	2,079,800	70,629,100	440,600	53,922,900	1,388,000	128,460,400		128,460,400	0.557	135,726,065					
2020	2,079,800	70,725,900	440,600	53,318,600	1,388,000	127,952,900		127,952,900	0.749	129,971,842					
2021	2,038,800	70,749,600	440,000	53,318,600	1,388,000	127,935,000		127,935,000	0.662	130,475,818					
2022	2,131,900	70,857,800	439,300	53,318,600	1,388,000	128,135,600	-	128,135,600	0.665	130,679,654					
<u>Frankford Township</u>															
2013	* \$ 18,976,800	\$ 559,837,200	\$ 72,998,200	\$ 60,275,700	\$ 5,529,600	\$ 721,747,200	\$ 2,033,198	\$ 723,780,398	\$ 0.706	\$ 792,810,574					
2014	17,333,200	565,528,300	73,949,400	59,828,300	5,529,600	723,049,000	1,811,215	724,860,215	0.701	845,128,593					
2015	17,180,700	570,042,100	74,134,500	59,064,500	5,529,600	726,793,100	2,183,338	728,976,438	0.601	825,685,795					
2016	16,952,900	577,131,100	69,657,800	59,222,500	5,529,600	729,335,600	2,049,219	731,384,819	0.612	824,978,449					
2017	16,848,200	578,350,100	70,077,500	59,117,800	5,529,600	730,783,000		730,783,000	0.584	807,870,623					
2018	16,805,100	580,099,600	69,590,500	58,405,700	5,529,600	731,290,300		731,290,300	0.546	796,082,118					
2019	16,548,600	581,811,500	69,774,000	59,727,200	5,529,600	734,250,700		734,250,700	0.547	817,998,506					
2020	15,225,500	582,157,000	71,337,600	59,415,000	5,529,600	734,524,500		734,524,500	0.602	810,178,789					
2021	14,932,800	586,217,400	71,950,500	59,662,900	5,529,600	739,153,000		739,153,000	0.641	808,345,192					
2022	14,992,600	587,815,000	70,653,600	59,762,200	5,529,600	739,612,800		739,612,800	0.683	851,418,105					
<u>Lafayette Township</u>															
2013	* \$ 6,574,300	\$ 219,343,500	\$ 47,116,300	\$ 41,217,100	\$ 15,337,800	\$ 333,540,900	\$ 539,095	\$ 334,079,995	\$ 0.701	\$ 355,384,286					
2014	6,746,400	219,287,600	49,051,500	41,203,100	15,337,800	331,626,400	494,830	332,121,230	0.693	373,817,248					
2015	6,404,000	218,935,700	48,747,500	35,992,900	15,339,900	325,420,000	597,858	326,017,858	0.524	352,383,165					
2016	6,715,300	220,130,800	47,955,900	39,293,100	14,459,900	328,555,000	588,015	329,143,015	0.542	348,586,224					
2017	6,046,700	221,637,200	47,523,400	39,142,800	14,459,900	328,810,000	618,355	329,428,355	0.526	337,460,456					
2018	5,724,800	223,146,500	46,427,700	38,980,400	14,459,900	328,739,300	639,396	329,378,696	0.529	343,097,932					
2019	5,549,700	222,705,800	46,959,900	39,280,400	13,980,300	328,476,100	662,640	329,138,740	0.581	339,579,865					
2020	5,402,500	223,578,000	47,229,100	39,131,000	13,980,300	329,320,900		329,320,900	0.756	361,084,199					
2021	5,602,800	224,686,500	46,877,700	39,131,000	13,980,300	330,278,300		330,278,300	0.693	354,248,259					
2022	5,476,000	225,418,100	45,763,100	38,848,500	13,980,300	329,486,000		329,486,000	0.665	357,184,777					

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN YEARS

UNAUDITED
(Continued)

Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	* \$ 1,732,400	\$ 81,631,500	\$ 640,100	\$ 25,708,300	\$ 721,600	\$ 16,707,400	\$ 127,162,800	\$ 662,927	\$ 127,825,727	\$ 0.592	\$ 132,158,837
2014	1,804,600	80,772,200	661,600	25,254,600	787,300	16,324,700	125,605,000	835,798	126,440,798	0.627	121,535,784
2015	1,838,400	80,688,700	661,600	24,735,400	787,300	16,190,200	124,901,600	1,107,571	126,009,171	0.653	124,451,895
2016	1,791,200	80,820,200	661,600	24,657,400	787,300	14,503,400	123,221,100		123,221,100	0.567	124,413,054
2017	1,791,200	80,740,000	661,600	26,734,600	787,300	14,484,100	125,198,800		125,198,800	0.449	130,280,646
2018	2,570,700	80,386,800	660,800	25,456,500	787,300	14,484,100	124,346,200		124,346,200	0.549	136,431,619
2019	2,250,900	80,462,800	662,200	25,350,100	787,300	14,484,100	123,997,400		123,997,400	0.542	127,638,746
2020	2,205,300	80,528,200	662,200	25,204,300	787,300	14,484,100	123,871,400		123,871,400	0.626	131,565,909
2021	2,203,800	80,808,900	660,900	25,188,500	787,300	14,484,100	124,133,500		124,133,500	0.640	133,284,831
2022	2,203,800	81,064,500	660,900	24,765,500	787,300	14,484,100	123,966,100	-	123,966,100	0.713	137,918,021
<u>Wantage Township</u>											
2013	\$ 42,071,360	\$ 1,057,651,000	\$ 150,677,900	\$ 114,525,205	\$ 961,300	\$ 5,822,300	\$ 1,379,386,858	\$ 3,447,661	\$ 1,382,834,519	\$ 0.514	\$ 1,212,594,551
2014	* 30,572,600	899,760,106	141,239,200	116,927,091	1,541,400	11,621,250	1,201,661,647	3,383,457	1,205,045,104	0.580	1,199,517,862
2015	30,651,700	899,500,006	141,212,300	116,927,091	1,541,400	11,621,250	1,201,453,747	3,805,642	1,205,259,389	0.637	1,200,996,055
2016	29,938,700	898,143,806	142,153,800	116,639,030	1,541,400	11,621,200	1,200,037,936		1,200,037,936	0.657	1,185,651,429
2017	29,631,300	899,354,006	141,686,252	114,342,284	1,541,400	11,621,200	1,198,176,442		1,198,176,442	0.605	1,169,093,206
2018	31,423,050	898,028,906	141,668,972	112,741,984	1,541,400	13,521,200	1,198,925,512		1,198,925,512	0.604	1,192,522,224
2019	32,050,650	897,450,506	141,496,072	112,958,834	1,541,400	15,896,200	1,201,393,662		1,201,393,662	0.601	1,279,831,695
2020	33,246,950	899,020,606	141,227,300	113,279,234	1,541,400	21,121,200	1,209,436,690		1,209,436,690	0.656	1,265,208,954
2021	32,576,400	902,816,300	141,168,800	108,002,700	1,541,400	21,121,200	1,207,226,800		1,207,226,800	0.682	1,287,351,865
2022	33,695,100	906,538,100	141,163,100	107,169,200	1,541,400	21,121,200	1,211,228,100	-	1,211,228,100	0.682	1,343,552,630

* Revaluation or Reassessment Year

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation.

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

b Tax rates are per \$100

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Branchville Borough								Total Direct and Overlapping Tax Rate
Year Ended December 31,	Direct Rate			Overlapping Rates				
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2013	\$ 0.599	\$ 0.007	\$ 0.606		\$ 0.942	\$ 0.550	\$ 2.098	
2014	0.575	0.007	0.582		0.953	0.548	2.083	
2015	0.576	0.007	0.583		0.865	0.491	1.939	
2016	0.429		0.429	\$ 0.169	1.006	0.493	2.097	
2017	0.423		0.423	0.135	1.022	0.630	2.210	
2018	0.457		0.457	0.134	0.972	0.575	2.138	
2019	0.557		0.557	0.143	0.882	0.593	2.175	
2020	0.749		0.749	0.142	0.805	0.594	2.290	
2021	0.662		0.662	0.152	0.954	0.598	2.366	
2022	0.665		0.665	0.168	0.953	0.574	2.360	

Frankford Township								Total Direct and Overlapping Tax Rate
Year Ended December 31,	Direct Rate			Overlapping Rates				
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2013	* \$ 0.697	\$ 0.009	\$ 0.706	\$ 0.306	\$ 0.977	\$ 0.538	\$ 2.527	
2014	0.693	0.009	0.701	0.311	0.999	0.611	2.622	
2015	0.593	0.007	0.601	0.311	1.057	0.583	2.552	
2016	0.612		0.612	0.331	1.010	0.623	2.576	
2017	0.584		0.584	0.341	0.988	0.631	2.544	
2018	0.546		0.546	0.369	1.005	0.633	2.553	
2019	0.547		0.547	0.374	1.000	0.645	2.566	
2020	0.602		0.602	0.383	1.021	0.645	2.651	
2021	0.641		0.641	0.388	1.060	0.641	2.730	
2022	0.683		0.683	0.398	1.086	0.647	2.814	

* Revaluation or Reassessment Year

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)
(Continued)

Lafayette Township								
Year Ended December 31,	Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate	
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2013	* \$ 0.693	\$ 0.008	\$ 0.701	\$ 0.263	\$ 1.190	\$ 0.523	\$ 2.677	
2014	0.684	0.008	0.693	0.270	1.210	0.587	2.760	
2015	0.684	0.006	0.524	0.270	1.420	0.557	2.771	
2016	0.542		0.542	0.286	1.335	0.580	2.743	
2017	0.526		0.526	0.285	1.270	0.585	2.666	
2018	0.529		0.529	0.286	1.267	0.606	2.688	
2019	0.581		0.581	0.281	1.238	0.596	2.696	
2020	0.756		0.756	0.294	1.172	0.641	2.863	
2021	0.693		0.693	0.299	1.271	0.628	2.891	
2022	0.665		0.665	0.305	1.256	0.609	2.835	

Sussex Borough								
Year Ended December 31,	Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate	
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2013	* \$ 0.585	\$ 0.007	\$ 0.592	\$ 0.668	\$ 1.161	\$ 0.509	\$ 2.930	
2014	0.618	0.008	0.627	0.673	1.116	0.501	2.917	
2015	0.618	0.008	0.653	0.673	1.102	0.509	2.937	
2016	0.567		0.567	0.752	1.298	0.558	3.175	
2017	0.449		0.449	0.758	1.387	0.596	3.190	
2018	0.549		0.549	0.782	1.308	0.626	3.265	
2019	0.542		0.542	0.797	1.285	0.597	3.221	
2020	0.626		0.626	0.801	1.210	0.621	3.258	
2021	0.640		0.640	0.825	1.287	0.629	3.381	
2022	0.713		0.713	0.847	1.229	0.626	3.415	

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)
(Continued)

Year Ended December 31,	Wantage Township						Total Direct and Overlapping Tax Rate
	Direct Rate			Overlapping Rates			
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County	
2013	\$ 0.508	\$ 0.006	\$ 0.514	\$ 0.245	\$ 0.978	\$ 0.431	\$ 2.168
2014	* 0.573	0.007	0.580	0.280	1.141	0.519	2.520
2015	0.630	0.008	0.637	0.280	1.137	0.513	2.567
2016	0.657		0.657	0.300	1.170	0.546	2.673
2017	0.605		0.605	0.294	1.159	0.557	2.615
2018	0.604		0.604	0.299	1.126	0.575	2.604
2019	0.601		0.601	0.303	1.160	0.617	2.681
2020	0.656		0.656	0.308	1.191	0.612	2.767
2021	0.682		0.682	0.313	1.310	0.625	2.930
2022	0.682		0.682	0.315	1.257	0.623	2.877

Source: Municipal Tax Collector and School Business Administrator

* Revaluation or Reassessment Year

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Branchville Borough

Frankford Township

Taxpayer	2023		2023	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value

INFORMATION NOT AVAILABLE

INFORMATION NOT AVAILABLE

Taxpayer	2014		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Wantage Avenue Holding Company Inc	\$ 35,006,000	26.23%	\$ 7,050,000	0.97%
Franklin Mutual Insurance Company	5,723,600	4.29%	2,713,000	0.37%
National Bank of Sussex County	1,769,000	1.33%	2,419,600	0.33%
Individual Taxpayer #1	1,170,200	0.88%	2,362,900	0.33%
Mill Manor, LLC	1,021,100	0.77%	1,987,500	0.27%
Haubrich Enterprises, LLC	981,500	0.74%	1,811,215	0.25%
RBMK Company	974,600	0.73%	1,600,000	0.22%
LAC Realty Corp.	925,500	0.69%	1,364,300	0.19%
Individual Taxpayer #2	896,500	0.67%	1,352,400	0.19%
Individual Taxpayer #3	742,100	0.56%	1,346,900	0.19%
Total	\$ 49,210,100	68.74%	\$ 36,190,415	4.98%

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO

UNAUDITED
(Continued)

<u>Lafayette Township</u>		<u>Sussex Borough</u>			
		2023		2023	
Taxpayer	Taxable Assessed Value	Taxable Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
205 Route 94 LLC	\$ 3,966,900	\$ 7,506,000	Alpine Village Apt LLC	\$ 7,506,000	6.05%
BHR Ringwood Real Estate LLC	3,342,900	3,700,000	Jimkev Realty, LLC/JTS, Inc.	3,700,000	2.98%
Durling Realty, LLC	2,200,000	2,100,000	MPT of Morris, LLC	2,100,000	1.69%
Lafayette Village Associates, LLC	2,082,900	1,929,500	Franklin Sussex Realty, LLC	1,929,500	1.55%
Carlwood Land Development, LLC	2,070,000	1,702,800	Individual Taxpayer #1	1,702,800	1.37%
United Telephone Co of NJ	1,800,000	1,170,600	Sussex Plaza Realty LLC	1,170,600	0.94%
34-38 Route 15 LAF C/O Lehigh Gas	1,785,600	1,046,800	Great Gorge Holdings, LLC	1,046,800	0.84%
94 Associates, c/o Carson/Roberts	1,682,900	985,600	RBND, LLC	985,600	0.79%
10 Millpond Drive, LLC	1,490,700	894,200	Munson Street Dev., LLC	894,200	0.72%
Lafayette Holdings, LLC	1,440,400	883,700	Individual Taxpayer #2	883,700	0.71%
Total	\$ 21,862,300	\$ 21,919,200	Total	\$ 21,919,200	17.66%
				2014	
Taxpayer	Taxable Assessed Value	Taxable Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Olde Lafayette Village	\$ 5,055,300	\$ 9,192,800	Alpine Village Apt LLC	\$ 9,192,800	7.19%
205 Route 94 LLC	3,966,900	3,700,000	Wilson Manor Associates	3,700,000	2.89%
Durling Realty	3,423,900	1,929,500	Franklin Sussex Realty LLC	1,929,500	1.51%
Carwood Land Development	2,950,000	1,896,300	RBND LLC	1,896,300	1.48%
United Telephone Co of NJ	2,279,600	1,852,400	Individual Taxpayer #1	1,852,400	1.45%
34-38 Route 15, Lafayette LLC	1,785,600	1,170,600	Sussex Plaza Realty LLC	1,170,600	0.92%
Lafayette Management Inc	1,756,200	1,046,800	Creamery Apartments LLC	1,046,800	0.82%
94 Associates c/o Carson & Roberts	1,686,800	975,000	Individual Taxpayer #2	975,000	0.76%
11 Millpond Drive LLC	1,533,100	894,200	Munson Street Dev. LLC	894,200	0.70%
All Leasing LLC	1,493,200	859,300	JP Morgan Chase	859,300	0.67%
Total	\$ 25,930,600	\$ 23,516,900	Total	\$ 23,516,900	18.39%

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO

UNAUDITED
(Continued)

Wantage Township

	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Wantage 2002 LLC	\$ 12,041,500	1.00%	\$ 11,449,000	0.83%
Main Land Sussex Co	9,697,300	0.80%	11,200,500	0.81%
Tenneco, Inc	9,044,500	0.75%	9,871,200	0.71%
Regency Apartments	5,539,000	0.46%	6,294,000	0.46%
Space Farms, Inc.	4,676,600	0.39%	5,389,100	0.39%
PS, LLC	3,400,900	0.28%	4,376,900	0.32%
Ames Rubber Corp.	3,393,100	0.28%	2,917,400	0.21%
Sussex Rural Electric Corp	3,132,700	0.26%	2,840,000	0.21%
United Telephone Co. of NJ	3,113,073	0.26%	3,132,700	0.23%
Rolling Wantage, Inc.	3,026,400	0.25%	2,753,600	0.20%
Total	\$ 57,065,073	4.73%	\$ 60,224,400	4.37%

N/A - Not Available

Source: Municipal Tax Assessor

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST FOUR FISCAL YEARS
UNAUDITED

Branchville Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2020	\$ 715,233	\$ 715,233	100.00%	
2021	958,554	958,554	100.00%	
2022	846,353	846,353	100.00%	
2023	851,470	851,470	100.00%	

Frankford Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2020	\$ 4,016,183	\$ 4,016,183	100.00%	
2021	4,418,499	4,418,499	100.00%	
2022	4,738,820	4,738,820	100.00%	
2023	5,053,104	5,053,104	100.00%	

Lafayette Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2020	\$ 1,913,870	\$ 1,913,870	100.00%	
2021	2,489,493	2,489,493	100.00%	
2022	2,288,759	2,098,029	91.67%	\$ 190,730
2023	2,190,590	2,190,590	100.00%	

This schedule does not include ten years as required by GASB #44 as the information is not available.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST FOUR FISCAL YEARS

UNAUDITED
(Continued)

Sussex Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2020	\$ 671,885	\$ 671,885	100.00%	
2021	775,551	775,551	100.00%	
2022	794,262	788,906	99.33%	\$ 5,356
2023	883,435	838,850	94.95%	44,586

Wantage Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2020	\$ 7,220,276	\$ 7,220,276	100.00%	
2021	7,930,786	7,930,786	100.00%	
2022	8,236,057	8,236,057	100.00%	
2023	8,263,833	8,263,833	100.00%	

This schedule does not include ten years as required by GASB #44 as the information is not available.

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities				Bond		Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Finance Purchases/Leases	Finance Purchases/Leases	Anticipation Notes (BANs)	Finance Purchases/Leases					
2014	\$ 370,000	\$ -0-	\$ 1,262,567	\$ -0-	\$ -0-	\$ -0-	\$ -0-	1,632,567	0.14%	\$ 74.59	
2015	190,000	-0-	1,181,370	-0-	-0-	-0-	-0-	1,371,370	0.11%	63.31	
2016	-0-	-0-	1,098,365	-0-	-0-	-0-	-0-	1,098,365	0.09%	51.04	
2017	-0-	-0-	1,013,511	-0-	-0-	-0-	-0-	1,013,511	0.08%	47.30	
2018	-0-	-0-	926,767	-0-	-0-	-0-	-0-	926,767	0.07%	43.41	
2019	-0-	-0-	838,091	-0-	-0-	-0-	-0-	838,091	0.06%	39.23	
2020	-0-	-0-	747,440	-0-	-0-	59,945	807,385	807,385	0.06%	37.94	
2021	-0-	-0-	654,769	-0-	-0-	40,699	695,468	695,468	0.05%	32.44	
2022	-0-	-0-	560,036	-0-	-0-	20,725	580,761	580,761	0.04%	26.97	
2023	-0-	-0-	463,192	-0-	-0-	-0-	463,192	463,192	0.03%	21.56	

Source: School District Financial Reports

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

a See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 370,000	\$ -0-	\$ 370,000	0.01%	\$ 16.91
2015	190,000	-0-	190,000	0.01%	8.77
2016	-0-	-0-	-0-	0.00%	-0-
2017	-0-	-0-	-0-	0.00%	-0-
2018	-0-	-0-	-0-	0.00%	-0-
2019	-0-	-0-	-0-	0.00%	-0-
2020	-0-	-0-	-0-	0.00%	-0-
2021	-0-	-0-	-0-	0.00%	-0-
2022	-0-	-0-	-0-	0.00%	-0-
2023	-0-	-0-	-0-	0.00%	-0-

Source: School District Financial Reports

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

a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2022

UNAUDITED

	Borough of Branchville	Township of Frankford	Township of Lafayette	Borough of Sussex	Township of Wantage	High Point Regional High School District
Net Overlapping Debt of School District						
Municipal (100%)	\$ 731,923	\$ 47,116	\$ -0-	\$ 1,177,500	\$ 5,741,267	\$ 7,697,806
Local School (100%)	-0-	1,055,000	-0-	-0-	-0-	1,055,000
County of Sussex Share (1)	652,225	4,040,774	1,770,824	666,267	6,435,243	13,565,334
Total Direct and Overlapping Bonded Debt as of December 31, 2022						\$ 22,318,140

- (1) Borough of Branchville - 0.77%
- Township of Frankford - 4.63%
- Township of Lafayette - 1.92%
- Borough of Sussex - 0.72%
- Township of Wantage - 7.24%

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

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

Sources: Assessed value data used to estimate applicable percentages provided by the Sussex County Board of Taxation; debt outstanding data provided by each governmental unit.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2023

	Borough of Branchville	Township of Frankford	Township of Lafayette	Borough of Sussex	Township of Wantage	Equalized Valuation Basis
2020	\$ 129,062,840	\$ 800,746,212	\$ 351,575,638	\$ 131,778,085	\$1,285,950,760	\$2,699,113,535
2021	129,083,846	848,430,900	356,441,075	136,906,915	1,335,427,876	2,806,290,612
2022	142,151,764	915,135,857	397,258,259	152,086,983	1,441,423,420	3,048,056,283
	<u>\$ 400,298,450</u>	<u>\$2,564,312,969</u>	<u>\$1,105,274,972</u>	<u>\$ 420,771,983</u>	<u>\$4,062,802,056</u>	<u>\$8,553,460,430</u>
Average Equalized Valuation of Taxable Property						\$2,851,153,477
Debt Limit (3% of average equalization value)						85,534,604
Total Net Debt Applicable to Limit						-0-
Legal Debt Margin						<u>\$ 85,534,604</u>

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 90,262,671	\$ 82,589,097	\$ 79,760,713	\$ 78,592,634	\$ 77,840,473
Total Net Debt Applicable to Limit	540,000	370,000	190,000	-0-	-0-
Legal Debt Margin	<u>\$ 89,722,671</u>	<u>\$ 82,219,097</u>	<u>\$ 79,570,713</u>	<u>\$ 78,592,634</u>	<u>\$ 77,840,473</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.60%	0.45%	0.24%	0.00%	0.00%

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 77,547,126	\$ 78,412,884	\$ 79,087,495	\$ 80,622,499	\$ 85,534,604
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	<u>\$ 77,547,126</u>	<u>\$ 78,412,884</u>	<u>\$ 79,087,495</u>	<u>\$ 80,622,499</u>	<u>\$ 85,534,604</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

a Limit set by NJSA 18A:24-19 for a 9 through 12 district; other % limits would be applicable for other districts

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Personal Income	Sussex County Per Capita Personal Income ^b	Unemployment Rate ^c
<u>Branchville Borough</u>				
2014	806	\$ 43,617,496	\$ 54,116	7.6%
2015	794	44,243,268	55,722	6.2%
2016	790	45,288,330	57,327	5.0%
2017	786	46,487,184	59,144	4.1%
2018	783	48,178,773	61,531	4.1%
2019	780	50,141,520	64,284	3.2%
2020	775	52,555,850	67,814	9.5%
2021	794	56,420,846	71,059	6.1%
2022	802	56,989,318 *	71,059 *	4.3%
2023	802 **	56,989,318 *	71,059 *	N/A
<u>Frankford Township</u>				
2014	5,443	\$ 294,553,388	\$ 54,116	7.0%
2015	5,392	300,453,024	55,722	5.9%
2016	5,361	307,330,047	57,327	5.0%
2017	5,345	316,124,680	59,144	4.8%
2018	5,325	327,652,575	61,531	4.6%
2019	5,311	341,412,324	64,284	3.6%
2020	5,274	357,651,036	67,814	8.8%
2021	5,362	381,018,358	71,059	5.6%
2022	5,362	381,018,358 *	71,059 *	4.0%
2023	5,319 **	377,962,821 *	71,059 *	N/A

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

UNAUDITED

(Continued)

Year	Population ^a	Personal Income	Sussex County Per Capita Personal Income ^b	Unemployment Rate ^c
<u>Lafayette Township</u>				
2014	2,446	\$ 132,367,736	\$ 54,116	6.2%
2015	2,420	134,847,240	\$ 55,722	4.8%
2016	2,402	137,699,454	\$ 57,327	4.6%
2017	2,394	141,590,736	\$ 59,144	3.8%
2018	2,379	146,382,249	\$ 61,531	3.9%
2019	2,367	152,160,228	\$ 64,284	3.0%
2020	2,352	159,498,528	\$ 67,814	8.8%
2021	2,381	169,191,479	\$ 71,059	5.4%
2022	2,385	169,475,715 *	\$ 71,059 *	3.2%
2023	2,385 **	169,475,715 *	\$ 71,059 *	N/A
<u>Sussex Borough</u>				
2014	2,059	\$ 111,424,844	\$ 54,116	7.9%
2015	2,036	113,449,992	\$ 55,722	6.9%
2016	2,022	115,915,194	\$ 57,327	5.7%
2017	2,010	118,879,440	\$ 59,144	5.8%
2018	2,002	123,185,062	\$ 61,531	5.3%
2019	1,991	127,989,444	\$ 64,284	4.9%
2020	1,979	134,203,906	\$ 67,814	10.2%
2021	2,034	144,534,006	\$ 71,059	7.5%
2022	2,048	145,528,832 *	\$ 71,059 *	4.9%
2023	2,048 **	145,528,832 *	\$ 71,059 *	N/A

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED
(Continued)

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income</u>	<u>Sussex County Per Capita Personal Income ^b</u>	<u>Unemployment Rate ^c</u>
<u>Wantage Township</u>				
2014	11,144	\$ 603,068,704	\$ 54,116	6.7%
2015	11,020	614,056,440	55,722	5.1%
2016	10,943	627,329,361	57,327	4.7%
2017	10,893	644,255,592	59,144	4.3%
2018	10,861	668,288,191	61,531	3.9%
2019	10,912	701,467,008	64,284	3.5%
2020	10,899	739,104,786	67,814	8.8%
2021	10,866	772,127,094	71,059	5.6%
2022	10,933	776,888,047 *	71,059 *	3.7%
2023	10,933 **	776,888,047 *	71,059 *	N/A

Source:

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

^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

* - Latest Sussex County per capita personal income available (2021) was used for calculation purposes.

** - Latest population data available (2022) was used for calculation purposes.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS, COUNTY OF SUSSEX
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2023			2014		
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Selective Insurance Group Inc.		1,000-4,999	1.40%-7.00%	Crystal Springs Golf and Spa Resort	2,000	2.71%
Crystal Springs Resort		1,000-4,999	1.40%-7.00%	Newton Memorial Hospital	1,200	1.63%
Newton Medical Center		500-999	0.70%-1.40%	Selective Insurance	900	1.22%
Sussex County Offices		500-999	0.70%-1.40%	County of Sussex	830	1.13%
Thorlabs		500-999	0.70%-1.40%	Mountain Creek Resort	800	1.08%
Mountain Creek Resort		500-999	0.70%-1.40%	Ames Rubber Corp	445	0.60%
Shop Rite		250-499	0.35%-0.70%	Shop Rite (Ronetco)	301	0.41%
Sussex County Community College		250-499	0.35%-0.70%	Andover Subacute & Rehab Center	300	0.41%
United Methodist Community Bristol Glen		250-499	0.35%-0.70%	Sussex County Community College	300	0.41%
Andover Subacute & Rehab Center		100-249	0.14%-0.35%	SCARC, Inc.	287	0.41%
		<u>4,850-15,740</u>	<u>4.07%-12.91%</u>	Total	<u>7,363</u>	<u>0.00%</u>
Total Employment - Sussex County		<u>74,747</u>		Total Employment - Sussex County	<u>73,737</u>	

Source: County of Sussex

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction											
Regular	79.0	79.0	79.0	79.0	72.5	62.3	64.4	64.4	77.0	59.0	55.2
Special Education	19.5	17.5	17.5	17.0	19.7	18.6	16.4	16.6	13.0	20.0	26.0
Support Services:											
Student and Instruction Related Services	29.0	28.0	28.0	30.0	32.4	30.0	29.5	28.5	28.5	24.0	22.0
General Administrative Services	3.0	3.0	3.0	3.0	2.1	3.0	3.0	3.0	3.0	2.0	2.1
School Administrative Services	9.5	9.5	9.5	8.0	6.5	5.5	4.5	4.5	4.5	4.0	5.0
Business and Other Support Services	4.0	4.0	4.0	4.0	3.6	3.6	3.6	3.6	3.6	3.9	2.9
Plant Operations and Maintenance	16.0	13.0	13.0	13.0	15.4	13.0	13.3	14.6	13.0	14.0	12.6
Pupil Transportation	6.0	6.0	6.0	5.0	5.8	5.6	6.3	5.0	5.0	6.1	6.2
Total	166	160	160	159	158	142	141	140	148	133	132

Source: District Personnel Records

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						High	School				
2014	1,007	\$ 25,082,630	\$ 24,908	2.56%	96	1:10	1:10	1,007	971	-0.17%	96.43%
2015	1,009	24,848,219	24,627	-1.13%	96	1:10	1:10	1,001	938	-3.40%	92.96%
2016	996	25,305,842	25,407	3.17%	95	1:10	1:10	983	929	-0.96%	93.27%
2017	980	26,335,906	26,873	5.77%	94	1:10	1:10	910	851	-8.40%	86.84%
2018	912	25,398,594	27,849	3.63%	81	1:11	1:11	899	842	-1.06%	92.32%
2019	889	26,687,726	30,020	7.79%	80	1:11	1:11	877	831	-1.31%	93.48%
2020	841	24,887,705	29,593	-1.42%	83	1:10	1:10	859	825	-0.72%	98.10%
2021	861	25,256,684	29,334	-0.87%	90	1:10	1:10	824	787	-4.61%	91.41%
2022	804	27,329,021	33,991	15.88%	79	1:11	1:11	801	744	-5.46%	92.54%
2023	805	27,676,182	34,380	1.14%	81	1:10	1:10	783	727	-2.28%	90.31%

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).
- d The cost per pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
High Point Regional High School										
Square Feet	251,800	251,800	251,800	251,800	251,800	251,800	251,800	251,800	251,800	251,800
Capacity (students)	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Enrollment	1,007	1,009	996	980	912	889	841	861	804	805

Source: High Point Regional High School District records

Note: Enrollment is based on the annual October district count.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Undistributed Expenditures - Required
 Maintenance For School Facilities
 11-000-261-xxx

Fiscal Year Ended June 30,	High School	*	Total
2014	\$ 484,001	\$	484,001
2015	301,694		301,694
2016	676,723		676,723
2017	820,804		820,804
2018	366,794		366,794
2019	739,578		739,578
2020	266,275		266,275
2021	265,733		265,733
2022	292,010		292,010
2023	286,152		286,152

* School facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: High Point Regional High School District records

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	<u>Coverage</u>		<u>Deductible</u>
School Package Policy: School Alliance Insurance Fund	\$ 500,000,000	Occurrence	
Building & Personal Property			\$ 2,500
Inland Marine - Auto Physical Damage			1,000
General Liability Including Auto, Employee Benefits Each Occurrence	5,000,000		
General Aggregate Product / Completed Ops	Agreed upon based on membership.		
Personal Injury			
Fire Damage	2,500,000		
Medical Expenses (excluding students taking part in athletics)	10,000		
Automobile Coverage Combined Single Limit Hired / Non-owned			
Environmental Impairment Liability	1,000,000/25,000,000	Fund Aggregate	10,000
	100,000	Fungi & Legionella	100,000
Crime Coverage	50,000	Inside/ Out	1,000
Blanket Dishonesty Bond	500,000		1,000
Boiler & Machinery	100,000,000		2,500
Excess Liability (AL/GL/SLPL)	5,000,000		
School Board Legal (SLPL)	5,000,000		10,000
Cyber Liability	2,000,000	Per Occurrence/Agg	
Workers Compensation	Statutory		
Empolyer's Liability	2,000,000		
Supplemental Indemnity	Statutory		
Bond for School Administrator	290,000	Selective Insurance	
Bond for Treasurer of School Monies	290,000	Selective Insurance	
Student Accident / Bollinger	All Students and Athletes		

Source: District records

SINGLE AUDIT SECTION

Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
High Point Regional School District
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the High Point Regional High School District (the "District"), in the County of Sussex, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

The Honorable President and Members
of the Board of Education
High Point Regional School District
Page 2

Report on Compliance and Other Matters

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

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 result of that testing, and not to provide an opinion on the effectiveness of the District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

October 24, 2023
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant



Mount Arlington, NJ
 Newton, NJ
 Bridgewater, NJ
 973.298.8500
 nisivoccia.com
 Independent Member
 BKR International

Report on Compliance For Each Major Federal and State Program;
 Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 High Point Regional School District
 County of Sussex, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 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 District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

The Honorable President and Members
of the Board of Education
High Point Regional School District
Page 2

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 District's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey's OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

The Honorable President and Members
of the Board of Education
High Point Regional School District
Page 3

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

October 24, 2023
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance 6/30/22		Cash Received	Budgetary Expenditures	Paid to Grantor	Balance 6/30/2023		Amounts Paid to Subrecipients
					Budgetary Accounts Receivable	Due to Grantor				Budgetary Accounts Receivable	Budgetary Unearned Revenue	
General Fund:												
U.S. Department of Education Passed-through State												
Department of Education:												
Medicaid Cluster:												
Family First Coronavirus Response Act	93.778	N/A	1/1/21-12/31/21	\$ 645			\$ 645	\$ (645)				
Medicaid Assistance Program	93.778	N/A	7/1/22-6/30/23	20,248			20,248	(20,248)				
Total U.S. Department of Education/General Fund/Medicaid Cluster							20,893	(20,893)				
Special Revenue Fund:												
U.S. Department of Education												
Passed-through State Department of Education:												
Education Stabilization Fund:												
COVID 19 - CRRSA ESSER II	84.425D	S425D200027	3/13/20-9/30/23	228,555	\$ (2,203)		12,449	(78,957)		\$ (68,711)		
COVID 19 - CRRSA Mental Health	84.425D	S425D200027	3/13/20-9/30/23	25,000			8,786	(19,464)		(10,678)		
COVID 19 - CRRSA Accelerated Learning	84.425D	S425D200027	3/13/20-9/30/23	45,000			6,410	(9,622)		(3,212)		
COVID 19 - ARP ESSER III	84.425U	S425U200027	3/13/20-9/30/24	513,214			50,790	(57,155)		(6,365)		
COVID 19 - ARP Accelerated Learning Coach	84.425U	S425U200027	3/13/20-9/30/24	60,165			29,357	(31,812)		(2,455)		
COVID 19 - ARP NJTSS Mental Health Support Staffing	84.425U	S425U200027	3/13/20-9/30/24	445,613			17,374	(17,701)		(327)		
Subtotal Education Stabilization Fund							125,166	(214,711)		(91,748)		
Elementary and Secondary Education Act:												
Title I	84-010A	ESEA-2165-22	7/1/21 - 9/30/22	71,644	(20,210)		20,210					
Title I	84-010A	ESEA-2165-23	7/1/22 - 9/30/23	80,508			80,508	(80,508)				
Subtotal Title I							100,718	(80,508)				
Title IIA	84.367A	ESEA-2165-23	7/1/22 - 9/30/23	17,734			17,734	(17,734)				
Subtotal Title IIA							17,734	(17,734)				
Title IV	84.424A	ESEA-2165-22	7/1/21 - 9/30/22	10,000		\$ 3,018			\$ 3,018			
Title IV	84.424A	ESEA-2165-23	7/1/22 - 9/30/23	10,000			10,000	(10,000)				
Subtotal Title IV						3,018	10,000	(10,000)	3,018			
Subtotal Elementary and Secondary Education Act						(20,210)	3,018	128,452	(108,242)			
Passed-through State Department of Education:												
Perkins Vocational Education - Basic Grants												
Perkins Vocational Education - Basic Grants	84.048A	PERK 2165-23	7/1/22 - 6/30/23	26,809			26,809	(26,197)			\$ 612	
Subtotal Perkins Vocational Education Grant							26,809	(26,197)			612	
Special Education Cluster:												
I.D.E.A. Part B, Basic												
I.D.E.A. Part B, Basic	84.027	FT-2165-23	7/1/22 - 9/30/23	206,580			206,580	(206,580)				
Subtotal Special Education Cluster							206,580	(206,580)				
Total U.S. Department of Education						(22,413)	3,018	487,007	(555,730)	3,018	(91,748)	612

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Federal Grantor/Pass Through Grantor Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance 6/30/22		Cash Received	Budgetary Expenditures	Paid to Grantor	Balance 6/30/2023		Amounts Paid to Subrecipients
					Budgetary Accounts Receivable	Budgetary Accounts Receivable				Budgetary Accounts Receivable	Budgetary Unearned Revenue	
Special Revenue Fund:												
U.S. Department of Treasury												
Passed-through State Department of Education:												
COVID-19 Additional or Compensatory Special Education and Related Services (ACERS)	21.027	SLFRFDOE	7/1/22 - 6/30/23	\$ 90,658			\$ 90,658	\$ (90,658)				
Total U.S. Department of Treasury							90,658	(90,658)				
Total Special Revenue Fund					\$ (22,413)	\$ 3,018	577,665	(646,388)	\$ 3,018	\$ (91,748)	\$ 612	
Enterprise Fund:												
U.S. Department of Agriculture												
Passed-through State Department of Agriculture:												
Child Nutrition Cluster:												
Federal Food Distribution Program	10.555	N/A	7/1/21 - 6/30/22	20,941				(851)				
Federal Food Distribution Program	10.555	N/A	7/1/22 - 6/30/23	35,175			35,175	(33,832)			1,343	
COVID19 - Seamless Summer Option - Breakfast	10.553	N/A	7/1/21 - 6/30/22	37,343	(3,159)		3,159					
COVID19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/21 - 6/30/22	267,585	(16,412)		16,412					
National School Lunch Program	10.555	N/A	7/1/22 - 6/30/23	75,142			71,705	(75,142)		(3,437)		
School Breakfast Program	10.555	N/A	7/1/22 - 6/30/23	9,605			8,933	(9,605)		(672)		
Supply Chain Assistance	10.555	N/A	7/1/22 - 6/30/23	51,032			51,032	(41,914)			9,118	
Total U.S. Department of Agriculture/Child Nutrition Cluster/Enterprise Fund					(19,571)		186,416	(161,344)		(4,109)	10,461	
Total Federal Financial Awards					\$ (41,984)	\$ 3,018	\$ 784,974	\$ (828,625)	\$ 3,018	\$ (95,857)	\$ 11,073	\$ -0-

N/A - Not Available

**HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title General Fund:	Project Number	Grant Period	Award Amount	Balance (Accounts Receivable) 6/30/2022	Cash Received	Budgetary Expenditures	Balance 6/30/2023		MEMO	
							GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable	Cumulative Total Expenditures
NJ Department of Education:										
Equalization Aid	23-495-034-5120-078	7/1/22 - 6/30/23	\$ 1,927,657		1,735,739	\$ (1,927,657)		\$ (191,918)	\$ 1,927,657	
Special Education Aid	23-495-034-5120-089	7/1/22 - 6/30/23	702,032		632,138	(702,032)		(69,894)	702,032	
Security Aid	23-495-034-5120-084	7/1/22 - 6/30/23	86,130		77,555	(86,130)		(8,575)	86,130	
Supplemental Stabilization Aid	23-495-034-5120-494	7/1/22 - 6/30/23	33,680		33,680	(33,680)			33,680	
School Choice Aid	23-495-034-5120-068	7/1/22 - 6/30/23	58,650		52,811	(58,650)		(5,839)	58,650	
Transportation Aid	23-495-034-5120-014	7/1/22 - 6/30/23	748,822		674,269	(748,822)		(74,553)	748,822	
Non-Public Transportation	23-495-034-5120-014	7/1/22 - 6/30/23	10,535			(10,535)	\$ (10,535)	(10,535)	10,535	
Extraordinary Aid	23-495-034-5120-044	7/1/22 - 6/30/23	348,013			(348,013)	(348,013)	(348,013)	348,013	
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22 - 6/30/23	636,371		573,386	(636,371)	(62,985)	(62,985)	636,371	
TPAF Pension Contributions (Non-Budgeted)	22-495-034-5094-002	7/1/22 - 6/30/23	3,273,157		3,273,157	(3,273,157)			3,273,157	
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)	22-495-034-5094-001	7/1/22 - 6/30/23	871,780		871,780	(871,780)			871,780	
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)	22-495-034-5094-004	7/1/22 - 6/30/23	45,411		45,411	(45,411)			45,411	
TPAF Long Term Disability Insurance (On-Behalf - Non-Budgeted)	22-495-034-5120-078	7/1/21 - 6/30/22	712		712	(712)			712	
Equalization Aid	22-495-034-5120-078	7/1/21 - 6/30/22	2,521,950	\$ (251,243)	251,243				2,521,950	
Special Education Aid	22-495-034-5120-089	7/1/21 - 6/30/22	702,032	(69,938)	69,938				702,032	
Security Aid	22-495-034-5120-084	7/1/21 - 6/30/22	86,130	(8,580)	8,580				86,130	
School Choice Aid	22-495-034-5120-068	7/1/21 - 6/30/22	48,920	(4,874)	4,874				48,920	
Transportation Aid	22-495-034-5120-014	7/1/21 - 6/30/22	748,822	(74,600)	74,600				748,822	
Non-Public Transportation	22-495-034-5120-014	7/1/21 - 6/30/22	11,730	(11,730)	11,730				11,730	
Extraordinary Aid	22-495-034-5120-044	7/1/21 - 6/30/22	485,320	(485,320)	485,320				485,320	
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21 - 6/30/22	654,791	(62,575)	62,575				654,791	
Total General Fund				(968,860)	8,939,498	(8,742,950)	(421,533)	(772,312)	14,002,645	
Special Revenue Fund:										
School Development Authority:										
Emergent and Capital Maintenance Needs	N/A	7/1/22 - 6/30/23	22,347		22,347	(22,347)			22,347	
Climate Change Awareness	N/A	7/1/22 - 6/30/23	6,660			(5,860)	(5,860)	(5,860)	5,860	
Total Special Revenue Fund					22,347	(28,207)	(5,860)	(5,860)	28,207	
Enterprise Fund:										
COVID19 - Seamless Summer Option	22-100-034-5120-122	7/1/21 - 6/30/22	6,295	(378)	378				6,295	
State Lunch Program	23-100-034-5120-122	7/1/22 - 6/30/23	3,133		2,995	(3,133)	(138)	(138)	3,133	
State Breakfast Program	23-100-034-5120-122	7/1/22 - 6/30/23	50		44	(50)	(6)	(6)	50	
Total Enterprise Fund				(378)	3,417	(3,183)	(144)	(144)	9,478	
Total State Awards				(969,238)	8,965,262	(8,774,340)	(427,537)	\$ -0-	\$ 14,040,330	
Less: State Awards Not Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
TPAF Pension Contributions (Non-Budgeted)	22-495-034-5094-002	7/1/22 - 6/30/23	3,273,157			3,273,157				
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)	22-495-034-5094-001	7/1/22 - 6/30/23	871,780			871,780				
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)	22-495-034-5094-004	7/1/22 - 6/30/23	45,411			45,411				
TPAF Long Term Disability Insurance (On-Behalf - Non-Budgeted)	22-495-034-5094-004	7/1/22 - 6/30/23	712			712				
Subtotal - On-Behalf TPAF Contributions						4,191,060				
Total State Awards Subject to Single Audit Determination						\$ (4,583,280)				

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include federal and state grant activity of the Board of Education, High Point Regional High School District under programs of the federal and state governments for the fiscal year ended June 30, 2023. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes these payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two 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 revenue, whereas the GAAP basis does not. Capital Projects Fund grants (SSB-VEEVR) are reported on a GAAP basis when certain grant milestones are accomplished and proper documentation is submitted to the grantor for reimbursement and not on the budgetary basis, which is the full grant at the time of the award.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$58,456 for the general fund and (\$85,974) for special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue and capital projects funds.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

Revenue from federal and state awards are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 20,893	\$ 8,801,406	\$ 8,822,299
Special Revenue Fund	565,509	23,112	588,621
Food Service Fund	161,344	3,183	164,527
	<u>\$ 747,746</u>	<u>\$ 8,827,701</u>	<u>\$ 9,575,447</u>

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

NOTE 5. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the year ended June 30, 2023. Revenues and expenditures reported under the Food Distribution program represent current year value received and current year distributions, respectively.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and NJ OMB 15-08*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following:

	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
IDEA Part B, Basic	84.027	7/1/22-9/30/23	\$ 206,580	\$ 206,580
Child Nutrition Cluster:				
Federal Food Distribution Program	10.555	7/1/21-6/30/22	20,941	851
Federal Food Distribution Program	10.555	7/1/22-6/30/23	35,175	33,832
National School Lunch Program	10.555	7/1/22-6/30/23	75,142	75,142
School Breakfast Program	10.555	7/1/21-6/30/22	9,605	9,605
Supply Chain Assistance	10.555	7/1/21-6/30/22	51,032	41,914
<u>State:</u>				
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$ 1,927,657	\$ 1,927,657
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	702,032	702,032
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	86,130	86,130
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	58,650	58,650
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	748,822	748,822
Non Public Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	10,535	10,535

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

K-6

(Continued)

Summary of Auditors' Results: (Cont'd)

- The threshold used for distinguishing between Type A and Type B for federal and state programs was \$750,000.
- The District was determined not to be a “low-risk auditee” for federal and state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings required for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey’s OMB Circular 15-08.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

Status of Prior Year Findings:

There were no findings in the prior year.