

**HANOVER PARK
REGIONAL HIGH SCHOOL DISTRICT**

**Hanover Park Regional High School District
East Hanover, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

**Hanover Park
Regional High School District**

East Hanover, New Jersey

For the Fiscal Year Ended June 30, 2024

Prepared by

**Hanover Park Regional High School District
Board of Education**

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024

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.).....	21
A. District-Wide Financial Statements	22
A-1 Statement of Net Position.....	23
A-2 Statement of Activities	25
B. Fund Financial Statements	27
B-1 Balance Sheet – Governmental Funds.....	28
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds	30
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
B-4 Statement of Net Position – Proprietary Funds	34
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds	35
B-6 Statement of Cash Flows – Proprietary Funds	36
Notes to the Basic Financial Statements	37

Required Supplementary Information.....

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions.....	79
L-1 Schedule of District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	79
L-2 Schedule of District Contributions – Public Employees Retirement System.....	80
L-3 Schedule of State’s Proportionate Share of the Net Pension Liability Attributable to the District - Teachers’ Pension and Annuity Fund.....	81
L-4 Schedule of State Contributions – Teachers’ Pension and Annuity Fund.....	82
L-5 Schedule of Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios	83

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

FINANCIAL SECTION (Cont'd)

Notes to Required Supplementary Information	84
C. Budgetary Comparison Schedules	85
C-1 Budgetary Comparison Schedule – General Fund	86
C-2 Budgetary Comparison Schedule – Budgetary Basis - Special Revenue Fund.....	101
C-3 Budgetary Comparison Schedule – Note to Required Supplementary Information.....	102
Other Supplementary Schedules (D.-I.)	
D. School Level Schedules (Not Applicable)	104
E. Special Revenue Fund.....	105
E-1 Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis	106
E-2 Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)	
F. Capital Projects Fund	109
F-1 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance	110
F-1a Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Additions, Alterations and Renovations to Hanover Park High School.....	111
F-1b Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Additions, Alterations and Renovations to Whippany Park High School.....	112
F-1c Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Athletic and Physical Education Facility Refurbishment at Hanover Park and Whippany Park High Schools	113
F-1d Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Whippany Park High School Paving Project.....	114
F-1e Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Installation of Fire Alarm System – Whippany Park	115
F-1f Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Rehabilitation, Renovations, Alterations and Improvements to Hanover Park and Whippany Park High Schools	116
F-1g Schedule of Project Revenues, Expenditures, Project Balances and Project Status – Installation of Fire Alarm System – Hanover Park	117
G. Proprietary Funds	118
Enterprise Fund:	
G-1 Combining Statement of Net Position.....	119
G-2 Combining Statement of Revenue, Expenses and Changes in Fund Net Position	120
G-3 Combining Statement of Cash Flows	121
H. Fiduciary Activities (Not Applicable).....	122
I. Long-Term Liabilities	123
I-1 Schedule of Serial Bonds	124
I-2 Schedule of Obligations Under Financed Purchases	125
I-3 Schedule of Obligations Under Leases (Not Applicable)	126
I-4 Schedule of Obligations Under Subscription-Based Information Technology Arrangements (Not Applicable)	127
I-5 Budgetary Comparison Schedule - Debt Service Fund.....	128

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

FINANCIAL SECTION (Cont'd)

STATISTICAL SECTION (UNAUDITED)	129
J-1 Net Position by Component	130
J-2 Changes in Net Position	131
J-3 Fund Balances – Governmental Funds.....	134
J-4 Changes in Fund Balances – Governmental Funds.....	135
J-5 General Fund – Other Local Revenue by Source.....	137
J-6 Assessed Value and Actual Value of Taxable Property	138
J-7 Direct and Overlapping Property Tax Rates	140
J-8 Principal Property Tax Payers	142
J-9 Property Tax Levies and Collections	145
J-10 Ratios of Outstanding Debt by Type	146
J-11 Ratios of Net General Bonded Debt Outstanding	147
J-12 Ratios of Overlapping Governmental Activities Debt	148
J-13 Legal Debt Margin Information	149
J-14 Demographic and Economic Statistics	150
J-15 Principal Employers	152
J-16 Full-Time Equivalent District Employees by Function/Program.....	153
J-17 Operating Statistics.....	154
J-18 School Building Information.....	155
J-19 Schedule of Required Maintenance for School Facilities	156
J-20 Insurance Schedule.....	157
 SINGLE AUDIT SECTION	 160
K-1 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 <i>Government Auditing Standards</i>	 161
K-2 Independent Auditors’ 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	 163
K-3 Schedule of Expenditures of Federal Awards	166
K-4 Schedule of Expenditures of State Awards	168
K-5 Notes to the Schedules of Expenditures of Federal and State Awards.....	170
K-6 Schedule of Findings and Questioned Costs	172
K-7 Summary Schedule of Prior Audit Findings	174

INTRODUCTORY SECTION
(UNAUDITED)

BOARD OF EDUCATION
HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT

Serving East Hanover Township, Florham Park Borough and Hanover Township

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William F. Albert, Jr
Business Administrator/Board Secretary
E-mail: Walbert@hpreg.org

HANOVER PARK HIGH SCHOOL
WHIPPANY PARK HIGH SCHOOL

November 12, 2024

The Honorable President and Members
of the Board of Education
Hanover Park Regional High School District
East Hanover, NJ 07936

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Hanover Park Regional High School District (the "District") for the fiscal year ended June 30, 2024 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 basic financial statements and results of operations 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 Independent Auditors' Report, 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 economic and demographic information, financial trends and the fiscal capacity of the District, 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' report on internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Hanover Park 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 Hanover Park Regional High School District and its two schools constitute 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 East Hanover Township, the Borough of Florham Park, and Hanover Township. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2023-2024 fiscal year with an enrollment of 1,257 students, which is a decrease of 43 students from the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: The Economic Conditions and Outlook of the Hanover Park Regional High School District remain positive. The District maintains a viable Capital Reserve Fund for future capital projects while continuing to maintain a Maintenance Reserve Fund for required maintenance projects. The District has decided to maintain a 2% unassigned budgetary basis fund balance of the net budget to provide future funding. There does not appear to be any major commercial or residential projects coming on line within the next year in either East Hanover, Florham Park or Hanover Township.
3. MAJOR INITIATIVES: For a complete report on District objectives and major accomplishments during 2023-2024, please contact the Superintendent's Office.

Students in the Class of 2024 at both of the District's high schools were granted diplomas in June 2024.

	<u>Regular Pupils</u>	<u>Special Education Pupils</u>	<u>Total Pupils</u>
Grade 12 Enrollment 6/30/24	315	60	375
No. Students Graduating	312	53	365
No. Students On Track Continuing	1	7	8

A majority of graduating students plan to continue their education. Advanced education plans are summarized below for the Class of 2024.

	<u>4-Year College</u>	<u>2-Year College</u>	<u>Armed Forces</u>	<u>Other Education</u>	<u>Total</u>
Hanover Park	158	18	0	4	180
Whippany Park	112	16	2	9	139

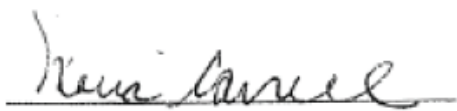
4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the 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 awards 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.

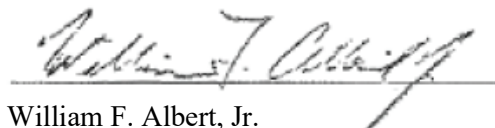
As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts 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 and 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2024.
6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. OTHER INFORMATION: Independent Audit - 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.
8. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Hanover Park Regional District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

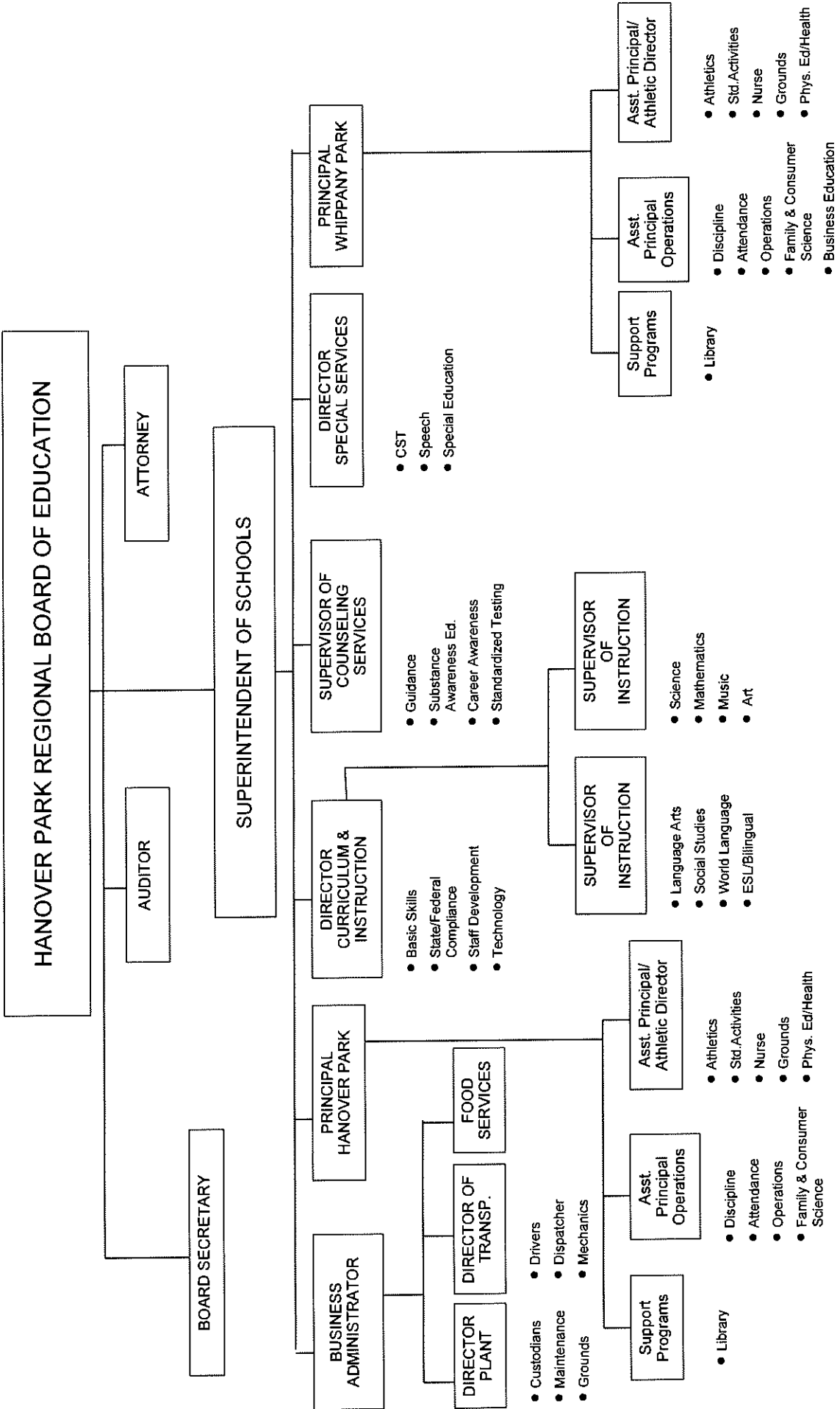
Respectfully submitted,



Maria Carrell
Superintendent



William F. Albert, Jr.
Business Administrator/Board Secretary



HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Dr. Gerard Freda - President	2025
Giuseppe Peluso – Vice President	2026
Donna Anello-Feldman	2025
Tim Donohue	2025
Deborah Davis	2026
Joanne Green Tobias	2026
Michael Lomio	2027
Michael Pombo	2027
Kristine Peterson	2025

<u>Other Officers</u>	<u>Title</u>
Maria Carrell	Superintendent of Schools
William F. Albert, Jr.	Board Secretary/Business Administrator
Susan Young	Treasurer
Noemi Schlecht	Director of Curriculum, Instruction and Assessment

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors
Fiscal Year Ended June 30, 2024

Audit Firm

Nisivoccia, LLP
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, New Jersey 07856-1320

Attorney

Chasan, Lamparello, Mallon & Capuzzo, P.C.
300 Lighting Way, Suite 200
Secaucus, New Jersey 07094

Methfessel & Werbel, P.C.
2025 Lincoln Highway, Suite 200
Edison, New Jersey 08817

Architects

FKA Architects
306 Ramapo Valley Road
Oakland, New Jersey 07436

Official Depositories

TD Bank
East Hanover, New Jersey 07936

Valley National Bank
East Hanover, New Jersey 07936

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Hanover Park Regional High School District
County of Morris, New Jersey

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 Hanover Park Regional High School District (the “District”), in the County of Morris, as of and for the fiscal year ended June 30, 2024, 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, 2024, and the respective changes in financial position, and, where applicable cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 November 12, 2024 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.

November 12, 2024
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell
Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

This section of Hanover Park Regional High School’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2024. 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.

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 services and summer enrichment.
- *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 related to one another.

**Figure A-1
Organization of Hanover Park Regional School District's Financial Report**

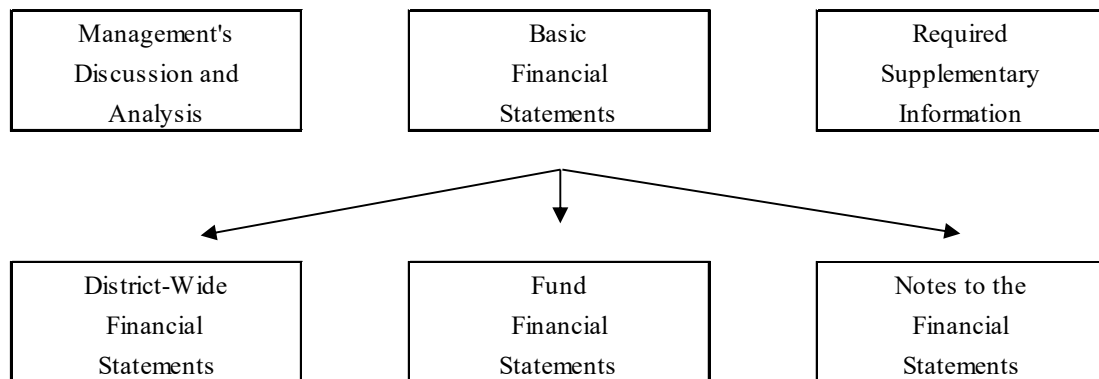


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

**Figure A-2
Major Features of the District-Wide and Fund Financial Statements**

		Fund Financial Statements	
	District-Wide 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 and summer enrichment
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, Expenditures, 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 are 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

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

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 is the difference between the District’s assets, deferred inflows and outflows and liabilities and 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 and summer enrichment programs 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 liabilities) 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.

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Notes to the Basic Financial Statements

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

Financial Analysis of the District as a Whole

Net Position. The District's combined net position was \$57,204,585 on June 30, 2024, \$4,598,373 or 8.74% more than the year before (See Figure A-3). Net position from governmental activities increased \$4,583,467 and net position from business-type activities increased by \$14,906 (See Figure A-4). Net investment in capital assets increased \$3,621,287, restricted net position increased \$159,015 and unrestricted net position increased \$818,071.

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Change
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	
Assets:							
Current and Other Assets	\$ 63,538,496	\$ 66,830,626	\$ 125,630	\$ 138,489	\$ 63,664,126	\$ 66,969,115	
Capital Assets, Net	52,788,837	49,250,681	1,556	2,179	52,790,393	49,252,860	
Total Assets	116,327,333	116,081,307	127,186	140,668	116,454,519	116,221,975	0.20%
Deferred Outflows of Resources	1,551,125	2,114,304			1,551,125	2,114,304	-26.64%
Liabilities:							
Other Liabilities	2,470,325	2,214,120	42,531	70,919	2,512,856	2,285,039	
Long-Term Liabilities Outstanding	57,125,965	61,168,468			57,125,965	61,168,468	
Total Liabilities	59,596,290	63,382,588	42,531	70,919	59,638,821	63,453,507	-6.01%
Deferred Inflows of Resources	1,162,238	2,276,560			1,162,238	2,276,560	-48.95%
Net Position:							
Net Investment in Capital Assets	45,763,483	42,141,573	1,556	2,179	45,765,039	42,143,752	
Restricted	17,918,560	17,759,545			17,918,560	17,759,545	
Unrestricted/(Deficit)	(6,562,113)	(7,364,655)	83,099	67,570	(6,479,014)	(7,297,085)	
Total Net Position	\$ 57,119,930	\$ 52,536,463	\$ 84,655	\$ 69,749	\$ 57,204,585	\$ 52,606,212	8.74%

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Changes in Net Position

The Changes in Net Position shows the cost of program services and the revenues of the District on a comparative schedule (Figure A-4).

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	
Revenue:							
Program Revenue:							
Charges for Services	\$ 575,495	\$ 602,836	\$ 777,194	\$ 757,062	\$ 1,352,689	\$ 1,359,898	
Operating Grants & Contributions	7,456,099	7,608,806			7,456,099	7,608,806	
General Revenue:							
Property Taxes	38,382,747	38,116,269			38,382,747	38,116,269	
Unrestricted Federal & State Aid	1,195,676	957,192			1,195,676	957,192	
Other	4,384,472	2,149,768	4,994	2,458	4,389,466	2,152,226	
Total Revenue	51,994,489	49,434,871	782,188	759,520	52,776,677	50,194,391	5.14%
Expenses:							
Instruction	21,401,192	20,403,055			21,401,192	20,403,055	
Pupil & Instruction Services	11,867,483	11,676,951			11,867,483	11,676,951	
Administration and Business	4,231,230	3,922,855			4,231,230	3,922,855	
Maintenance & Operations	3,171,536	3,053,945			3,171,536	3,053,945	
Transportation	2,595,898	3,003,754			2,595,898	3,003,754	
Other	4,087,250	1,873,570	823,715	738,834	4,910,965	2,612,404	
Total Expenses	47,354,589	43,934,130	823,715	738,834	48,178,304	44,672,964	7.85%
Transfer	(56,433)	(409)	56,433	409			
Change in Net Position	\$ 4,583,467	\$ 5,500,332	\$ 14,906	\$ 21,095	\$ 4,598,373	\$ 5,521,427	-16.72%

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Financial Analysis of the District as a Whole

Governmental Activities

The financial position of the District increased by \$4,583,467 and remains strong. However, maintaining existing programs, developing new programs for regular education pupil enrollment and continued special programs and services for students with special needs places great demands on the District’s resources. Limited veteran employee retirements and increased employee health benefit contributions have been surpassed by the increase in health benefits costs and the costs associated with training new teachers.

Careful management of expenses remains essential for the District to sustain its financial health. Many significant cost saving measures have led to superior transportation efficiency and overall fiscal restraint. The District’s cost-saving measures included:

- Joint Transportation with surrounding school districts
- Employees contribute towards health and dental benefits
- Group purchasing for electric, gas, insurance and telecommunications
- Efficiency of District bus routes
- Continuation of in-district special education programs

Due to the constraints placed upon the District by legislation enacted in the past several years, it is crucial that the District continually examines its expenses. Parental and student demands for new activities and programs must be evaluated thoroughly.

Figure A-5 presents the cost of six major District activities: instruction, pupil & instructional services, administration & business, maintenance & operations, transportation, and other. 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:

Governmental Activities

Figure A-5

Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023/24</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2022/23</u>
Instruction	\$ 21,401,192	\$ 20,403,055	\$ 16,209,600	\$ 15,057,769
Pupil & Instruction Services	11,867,483	11,676,951	10,214,755	9,945,154
Administration and Business	4,231,230	3,922,855	3,702,053	3,350,692
Maintenance & Operations	3,171,536	3,053,945	3,171,536	3,053,945
Transportation	2,595,898	3,003,754	1,937,801	2,441,358
Other	4,087,250	1,873,570	4,087,250	1,873,570
Total	<u>\$ 47,354,589</u>	<u>\$ 43,934,130</u>	<u>\$ 39,322,995</u>	<u>\$ 35,722,488</u>

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Business-Type Activities

- Net position from the District's business-type activities increased \$14,906 due primarily to increased daily sales and a transfer from the General Fund. (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's General Fund financial position increased \$2,574,558 on the GAAP basis primarily due to unexpended budget appropriations and interest revenue. The District continues to see a rise in additional student needs and the associated expenditures. The District's Special Revenue Fund financial position decreased \$2,993 due to a decrease in fund raising for student activities. The District's Capital Projects Fund financial position decreased \$6,087,266 due to continued expenditures on existing capital projects.

The District anticipates the current economic conditions to continue and create the same climate that has existed for the past several years. The District has had a multi-year practice of utilizing funds from its unassigned fund balance to offset or reduce the tax levy.

Ratables in East Hanover, Florham Park and Hanover Township will be remaining stable. Commercial building continues in each of the communities. Small residential sub-developments have also occurred along with the replacement of existing homes with larger, more valuable homes.

The District must continue to practice sound financial management to maintain a stable financial position.

General Fund Budgetary Highlights

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

Capital Assets and Long-Term Liabilities

The District's capital assets increased \$3,537,533, or 7.18%, over the course of the fiscal year.

Capital asset additions consisted of \$4,366,735 of construction in progress and \$575,844 of budgeted capital outlay expenditures.

Depreciation expense was \$1,404,423 from governmental activities and \$623 from business-type activities.

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Capital Assets and Long-Term Liabilities

Figure A-6

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	
Land	\$ 1,961,326	\$ 1,961,326			\$ 1,961,326	\$ 1,961,326	
Construction in Progress	14,942,999	11,529,831			14,942,999	11,529,831	
Site Imps.	965,025	671,371			965,025	671,371	
Buildings & Bldg. Imps.	32,899,677	33,172,558			32,899,677	33,172,558	
Machinery, Furniture and Equipment	2,019,810	1,915,595	\$ 1,556	\$ 2,179	2,021,366	1,917,774	
Total	\$ 52,788,837	\$ 49,250,681	\$ 1,556	\$ 2,179	\$ 52,790,393	\$ 49,252,860	7.18%

Long-Term Liabilities

The District's long-term liabilities decreased \$4,042,503, or 6.61%, over the course of the fiscal year. At year-end, the District had \$46,925,000 in general obligation bonds outstanding – a decrease of \$4,344,000 from last year – 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		Percent Change
	2023/24	2022/23	
General Obligation Bonds (Financed with Property Taxes)	\$ 46,925,000	\$ 51,269,000	
Unamortized Bond Issuance Premium	387,558	581,337	
Net Pension Liability	7,910,485	8,411,836	
Financed Purchases Payable		130,000	
Arbitrage Rebate Payable	1,205,902		
Compensated Absences Payable	697,020	776,295	
Total	\$ 57,125,965	\$ 61,168,468	-6.61%

- The District paid down \$4,344,000 of School Bonds during the fiscal year.
- Unamortized bond issuance premium decreased by \$193,779.
- Net Pension Liability decreased by \$501,351.
- The District paid down \$130,000 of financed purchases during the fiscal year.
- Compensated absences payable decreased by \$79,275.
- The District recorded an arbitrage rebate payable of \$1,205,902.

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
EAST HANOVER, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Factors Bearing on the District's Future

While many factors influence the district's future, the availability of funding for enrollment, staffing needs and the economy will have the most impact on educational and fiscal decisions in the future.

Similar to most school districts in New Jersey, the District's primary sources of funding are property tax revenue and state aid. State aid comprised 6% of the District's original 2024 operating budget while local property taxes accounted for 93%. As a result, the financial wellbeing of the District is tied in large measure to the actions of the state legislature. Current legislation restricts the growth rate on local property taxes to 2%. However, the law does allow for an increase in the 2% limitation, if needed. Significant cuts in state funding and/or further restrictions on the growth rate of the local property tax levy could have a substantial impact on the District's programs and services.

Additionally, the following factors may have an impact on the District's future:

- The labor agreement with the Hanover Park Regional Administrator's Association will expire on June 30, 2026.
- The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters is either unknown, or will not have a material adverse effect on the financial position of the District.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, 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, 75 Mt. Pleasant Avenue, East Hanover, New Jersey 07936.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 58,732,048	\$ 109,939	\$ 58,841,987
Cash with Fiscal Agents	1,837		1,837
Receivable from Federal Government	205,095		205,095
Receivable from State Government	912,757		912,757
Other Receivables	280		280
Inventories		15,691	15,691
Restricted Assets:			
Cash and Cash Equivalents	3,686,479		3,686,479
Capital Assets, Net:			
Site (Land) and Construction in Progress	16,904,325		16,904,325
Depreciable Site Improvements, Buildings and Building Improvements & Machinery, Furniture & Equipment	35,884,512	1,556	35,886,068
Total Assets	116,327,333	127,186	116,454,519
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Amount on Refunding	276,062		276,062
Deferred Outflows Related to Pensions	1,275,063		1,275,063
Total Deferred Outflows of Resources	1,551,125		1,551,125
LIABILITIES			
Current Liabilities:			
Interest Payable	1,837		1,837
Accrued Interest Payable	483,496		483,496
Accounts Payable	1,952,517	15,249	1,967,766
Unearned Revenue	32,475	27,282	59,757
Noncurrent Liabilities:			
Due Within One Year	4,173,779		4,173,779
Due Beyond One Year	52,952,186		52,952,186
Total Liabilities	59,596,290	42,531	59,638,821
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows Related to Pensions	1,162,238		1,162,238
Total Deferred Inflows of Resources	1,162,238		1,162,238

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024
(Continued)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
NET POSITION			
Net Investment in Capital Assets	\$ 45,763,483	\$ 1,556	\$ 45,765,039
Restricted for:			
Capital Projects	5,458,344		5,458,344
Excess Surplus	11,839,291		11,839,291
Maintenance Reserve	63,690		63,690
Unemployment Compensation	147,440		147,440
Scholarships	16,321		16,321
Student Activities	393,474		393,474
Unrestricted/(Deficit)	<u>(6,562,113)</u>	<u>83,099</u>	<u>(6,479,014)</u>
Total Net Position	<u>\$ 57,119,930</u>	<u>\$ 84,655</u>	<u>\$ 57,204,585</u>

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 17,193,434		\$ 3,153,048		\$ (14,040,386)		\$ (14,040,386)
Special Education	1,916,018		1,749,415		(166,603)		(166,603)
Other Special Instruction	73,174		10,813		(62,361)		(62,361)
Other Instruction	2,218,566		278,316		(1,940,250)		(1,940,250)
Support Services:							
Tuition	3,732,861	\$ 21,833	8,561		(3,702,467)		(3,702,467)
Student & Instruction Related Services	8,134,622	553,662	1,068,672		(6,512,288)		(6,512,288)
General Administration Services	1,168,140		123,860		(1,044,280)		(1,044,280)
School Administration Services	1,761,133		257,008		(1,504,125)		(1,504,125)
Central Services	691,394		91,991		(599,403)		(599,403)
Administration Information Technology	610,563		56,318		(554,245)		(554,245)
Plant Operations and Maintenance	3,171,536				(3,171,536)		(3,171,536)
Pupil Transportation	2,595,898		658,097		(1,937,801)		(1,937,801)
Interest on Long-Term Liabilities	2,891,939				(2,891,939)		(2,891,939)
Capital Outlay	106,465				(106,465)		(106,465)
Transfer of Funds to Charter School	17,195				(17,195)		(17,195)
Unallocated Depreciation	1,071,651				(1,071,651)		(1,071,651)
Total Governmental Activities	47,354,589	575,495	7,456,099	\$ - 0 -	(39,322,995)	\$ - 0 -	(39,322,995)

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Business-Type Activities:						
Food Service	\$ 817,256	\$ 768,794			\$ (48,462)	\$ (48,462)
Summer Enrichment	6,459	8,400			1,941	1,941
Total Business-Type Activities	823,715	777,194	\$ - 0 -	\$ - 0 -	(46,521)	(46,521)
Total Primary Government	\$ 48,178,304	\$ 1,352,689	\$ 7,456,099	\$ (39,322,995)	(46,521)	(39,369,516)

General Revenues and Transfers:

Taxes:						
Property Taxes, Levied for General Purposes, Net				35,651,214		35,651,214
Taxes Levied for Debt Service				2,731,533		2,731,533
Federal and State Aid not Restricted				1,195,676		1,195,676
Investment Earnings				2,585,158	4,994	2,590,152
Miscellaneous Income				1,799,314		1,799,314
Transfer				(56,433)	56,433	
Total General Revenues and Transfers				43,906,462	61,427	43,967,889
Change in Net Position				4,583,467	14,906	4,598,373
Net Position - Beginning				52,536,463	69,749	52,606,212
Net Position - Ending				\$ 57,119,930	\$ 84,655	\$ 57,204,585

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

FUND FINANCIAL STATEMENTS

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 14,321,572		\$ 44,410,476		\$ 58,732,048
Cash with Fiscal Agents				\$ 1,837	1,837
Interfunds Receivable	190,445				190,445
Receivable from Federal Government		\$ 205,095			205,095
Receivable from State Government	882,169	30,588			912,757
Other Receivables	280				280
Restricted Cash and Cash Equivalents	3,276,684	409,795			3,686,479
Total Assets	\$ 18,671,150	\$ 645,478	\$ 44,410,476	\$ 1,837	\$ 63,728,941

LIABILITIES AND FUND BALANCES:

Liabilities:					
Interest Payable				\$ 1,837	\$ 1,837
Accounts Payable	\$ 1,134,754	\$ 12,763			1,147,517
Interfunds Payable		190,445			190,445
Unearned Revenue		32,475			32,475
Total Liabilities	1,134,754	235,683		1,837	1,372,274
Fund Balances:					
Restricted for:					
Capital Reserve Account	3,065,554				3,065,554
Maintenance Reserve Account	63,690				63,690
Excess Surplus 2025-2026	7,065,913				7,065,913
Excess Surplus 2024-2025	4,773,378				4,773,378
Unemployment Compensation	147,440				147,440
Scholarships		16,321			16,321
Student Activities		393,474			393,474
Capital Projects			\$ 42,016,374		42,016,374

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024
(Continued)

LIABILITIES AND FUND BALANCES:

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Fund Balances:					
Committed:					
Capital Projects		\$ 1,188,200			\$ 1,188,200
Assigned:					
Year End Encumbrances	\$ 777,206				777,206
Subsequent Year's Expenditures	381,073				381,073
Capital Projects			1,205,902		1,205,902
Unassigned	1,262,142				1,262,142
Total Fund Balances	<u>17,536,396</u>	<u>\$ 409,795</u>	<u>44,410,476</u>		<u>62,356,667</u>
Total Liabilities and Fund Balances	<u>\$ 18,671,150</u>	<u>\$ 645,478</u>	<u>\$ 44,410,476</u>	<u>\$ 1,837</u>	<u>\$ 63,728,941</u>

Amounts Reported for *Governmental Activities* in the Statement of Net Position (Exhibit A-1) are different because:

Total Fund Balances (Above)	\$ 62,356,667		\$ 62,356,667	
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.			52,788,837	
The Deferred Amount on Refunding is not reported as an expenditure in the governmental funds in the year of the expenditure.			276,062	
Interest on long-term liability is not accrued in governmental funds, but rather is recognized as an expenditure when due.			(483,496)	
Long-term liabilities, including bonds payable, bond issuance premiums, arbitrage rebate liability and net pension liability for PERS, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.			(57,125,965)	
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				470,063
Deferred Inflows				(1,162,238)
Net Position of Governmental Activities (Exhibit A-1)				<u>\$ 57,119,930</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 35,651,214			\$ 2,731,533	\$ 38,382,747
Tuition from Individuals	21,833				21,833
Interest Earned on Maintenance Reserve Funds	7,277				7,277
Interest Earned on Capital Reserve Funds	95,996				95,996
Restricted Miscellaneous Revenue	7,064	\$ 553,662			560,726
Unrestricted Miscellaneous Revenue	1,799,314	2,414	\$ 2,474,821		4,276,549
Total - Local Sources	37,582,698	556,076	2,474,821	2,731,533	43,345,128
State Sources	10,484,901	73,530		256,687	10,815,118
Federal Sources	369	1,041,508			1,041,877
Total Revenue	48,067,968	1,671,114	2,474,821	2,988,220	55,202,123
EXPENDITURES:					
Current:					
Regular Instruction	10,855,539	1,016,993			11,872,532
Special Education Instruction	1,239,196	26,929			1,266,125
Other Special Instruction	48,707				48,707
Other Instruction	1,583,421				1,583,421
Support Services and Undistributed Costs:					
Tuition	3,732,861				3,732,861
Student & Instruction Related Services	5,205,518	556,655			5,762,173
General Administration Services	881,296				881,296
School Administration Services	1,205,086				1,205,086
Central Services	465,186				465,186
Administrative Information Technology	482,333				482,333
Plant Operations and Maintenance	3,110,489				3,110,489
Pupil Transportation	2,190,315				2,190,315

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd):					
Support Services and Undistributed Costs:					
Unallocated Benefits	\$ 14,810,855				\$ 14,810,855
Capital Outlay	664,332	\$ 73,530	\$ 4,366,735		5,104,597
Transfer of Funds to Charter School	17,195				17,195
Debt Service:					
Interest and Other Charges				\$ 1,784,220	1,784,220
Principal				4,344,000	4,344,000
Total Expenditures	46,492,329	1,674,107	4,366,735	6,128,220	58,661,391
Excess/(Deficiency) of Revenue over/(under) Expenditures	1,575,639	(2,993)	(1,891,914)	(3,140,000)	(3,459,268)
OTHER FINANCING SOURCES/(USES):					
Transfers	998,919		(4,195,352)	3,140,000	(56,433)
Total Other Financing Sources/(Uses)	998,919		(4,195,352)	3,140,000	(56,433)
Net Change in Fund Balances	2,574,558	(2,993)	(6,087,266)		(3,515,701)
Fund Balance - July 1	14,961,838	412,788	50,497,742		65,872,368
Fund Balance - June 30	\$ 17,536,396	\$ 409,795	\$ 44,410,476	\$ - 0 -	\$ 62,356,667

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

HANOVER PARK 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, 2024

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2) \$ (3,515,701)

Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit A-2) are different because:

Capital outlays related to capital assets are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlays in the period.

Depreciation Expense	\$ (1,404,423)
Capital Asset Additions	4,942,579

3,538,156

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

79,275

In the Statement of Activities, interest on long-term liabilities in the Statement of Activities is accrued, regardless of when due. In the Governmental Funds, interest is reported when due.

42,435

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

130,000

The Governmental Funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

193,779

HANOVER PARK 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, 2024
(Continued)

<p>The Governmental Funds report the effect of the deferred amount on refunding when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p> <p>Repayment of serial bonds 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.</p> <p>In the Statement of Activities, arbitrage rebate liability is accrued, regardless of when due. In the Governmental Funds, arbitrage rebate payable is reported when due.</p> <p>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:</p> <ul style="list-style-type: none"> Change in Net Pension Liability Change in Deferred Outflows Change in Deferred Inflows <p>Change in Net Position of Governmental Activities (Exhibit A-2)</p>	<p>\$ (138,031)</p> <p>4,344,000</p> <p>(1,205,902)</p> <p>501,351</p> <p>(500,217)</p> <p>1,114,322</p> <hr style="border: 0.5px solid black;"/> <p>\$ 4,583,467</p> <hr style="border: 0.5px solid black;"/>
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THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activities - Enterprise Funds	
	Non-Major Funds	Total Enterprise Funds
<u>ASSETS:</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 109,939	\$ 109,939
Inventories	15,691	15,691
Total Current Assets	125,630	125,630
Non-Current Assets:		
Capital Assets:		
Depreciable Furniture, Machinery & Equipment	398,188	398,188
Less: Accumulated Depreciation	(396,632)	(396,632)
Total Non-Current Assets	1,556	1,556
Total Assets	127,186	127,186
<u>LIABILITIES:</u>		
Current Liabilities:		
Unearned Revenue	27,282	27,282
Accounts Payable - Vendors	15,249	15,249
Total Liabilities	42,531	42,531
<u>NET POSITION:</u>		
Investment in Capital Assets	1,556	1,556
Unrestricted	83,099	83,099
Total Net Position	\$ 84,655	\$ 84,655

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Business-Type Activities - Enterprise Funds</u>	
	<u>Non-Major Funds</u>	<u>Total Enterprise Funds</u>
Operating Revenue:		
Local Sources:		
Daily Sales - Non-Reimbursable Programs	\$ 718,153	\$ 718,153
Special Events	742	742
Free and Reduced Lunches Subsidized by District	49,899	49,899
Summer Enrichment Program Fees	8,400	8,400
	<u>777,194</u>	<u>777,194</u>
Total Operating Revenue		
Operating Expenses:		
Cost of Sales- Non-Reimbursable Programs	345,033	345,033
Salaries, Benefits & Payroll Taxes	305,999	305,999
Supplies, Insurance & Other Costs	103,425	103,425
Management Fee	43,843	43,843
Miscellaneous Expense	24,792	24,792
Depreciation Expense	623	623
	<u>823,715</u>	<u>823,715</u>
Total Operating Expenses		
Operating Income/(Loss)	<u>(46,521)</u>	<u>(46,521)</u>
Non-Operating Income:		
Interest Income	4,994	4,994
	<u>4,994</u>	<u>4,994</u>
Total Non-Operating Income		
Change in Net Position before Transfer	(41,527)	(41,527)
Transfer - General Fund	56,433	56,433
Change in Net Position	14,906	14,906
Net Position - Beginning of Year	69,749	69,749
Net Position - End of Year	<u>\$ 84,655</u>	<u>\$ 84,655</u>

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Business-Type Activities -</u> <u>Enterprise Funds</u>	
	<u>Non-Major</u> <u>Funds</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 725,638	\$ 725,638
Receipts from District	49,899	49,899
Payments by District for Free and Reduced Lunches	(49,899)	(49,899)
Payments to Food Service Vendor	(794,832)	(794,832)
Payments to Summer Enrichment Employees	(6,459)	(6,459)
Net Cash Used for Operating Activities	<u>(75,653)</u>	<u>(75,653)</u>
Cash Flows from Investing Activities:		
Interest Income	4,994	4,994
Net Cash Provided by Investing Activities	<u>4,994</u>	<u>4,994</u>
Cash Flows from Noncapital Financing Activities:		
Transfer - General Fund	56,433	56,433
Net Cash Provided by Noncapital Financing Activities	<u>56,433</u>	<u>56,433</u>
Net Decrease in Cash and Cash Equivalents	(14,226)	(14,226)
Cash and Cash Equivalents, July 1	<u>124,165</u>	<u>124,165</u>
Cash and Cash Equivalents, June 30	<u>\$ 109,939</u>	<u>\$ 109,939</u>
Reconciliation of Operating Income/(Loss) to Net Cash Used for Operating Activities:		
Operating Income/(Loss)	\$ (46,521)	\$ (46,521)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Used for Operating Activities:		
Depreciation	623	623
Changes in Assets and Liabilities:		
(Increase)/Decrease in Inventory	(1,367)	(1,367)
Increase/(Decrease) in Unearned Revenue	(1,657)	(1,657)
Increase/(Decrease) in Accounts Payable	(26,731)	(26,731)
Net Cash Used for Operating Activities	<u>\$ (75,653)</u>	<u>\$ (75,653)</u>

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of the Hanover Park 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 District in its entirety. 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (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 revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues 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. Separate statements for each fund category – governmental and proprietary - 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 governmental 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 fixed 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 and report 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(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 capital facilities and other capital assets, 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 the financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

The District reports the following proprietary funds:

Enterprise Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria operations and summer enrichment program. The food service and summer enrichment programs 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 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. Nonexchange 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 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 asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under financed purchases are reported as other financing sources.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(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, 2024 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. All budget Amendments/Transfers must be made by School Board resolution. All budgeting 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 budget 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 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 the recognition of the last two state aid payments for the current year. Since the State recorded the last two state aid payments in the subsequent fiscal year, the District recognized these payments in the current year GAAP financial statements.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 48,090,016	\$ 1,677,357
Differences - Budgetary to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances at year end		(20,902)
Prior Year Encumbrances at year end		14,659
Prior Year State Aid Payments Recognized for GAAP Statements, not recognized for Budgetary Basis	193,831	
Current Year State Aid Payments recognized for Budgetary purposes, not recognized for GAAP Statements	<u>(215,879)</u>	
Total Revenues as reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	<u>\$ 48,067,968</u>	<u>\$ 1,671,114</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 46,492,329	\$ 1,680,350
Differences - Budgetary to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances at year end		(20,902)
Prior Year Encumbrances at year end		14,659
Total Expenditures as Reported on the Statement of Revenue, Expenditures, & Changes in Fund Balances - Governmental Funds	<u>\$ 46,492,329</u>	<u>\$ 1,674,107</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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 type 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 funds. 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, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(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 Receivables/Payables:

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 an expenditure 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 funds represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

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. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. 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:

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

K. Capital Assets: (Cont'd)

	Estimated Useful Life
Buildings and Building Improvements	50 Years
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 in 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 premium 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:

Certain District employees, who provide services to the District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned undisbursed amounts be retained in a separate bank account. As of June 30, 2024, the amount earned by these employees but not disbursed was \$519,956.

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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

P. Compensated Absences: (Cont'd)

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. Leases 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.

R. Subscriptions Payable:

In the district-wide financial statements, subscriptions payable 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.

S. 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.

T. Fund Balance Appropriated:

General Fund: Of the \$17,536,396 General Fund balance at June 30, 2024, \$1,158,279 is assigned fund balance of which \$777,206 is for year-end encumbrances and \$381,073 is for subsequent year's expenditures and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2025; \$3,065,554 is restricted in the capital reserve account; \$63,690 is restricted in the maintenance reserve account; \$147,440 is restricted for unemployment compensation; \$4,773,378 is restricted for prior year excess surplus in accordance with N.J.S.A. 18A:7F-7 (S1701) and has been appropriated and included as anticipated revenue for the year ending June 30, 2025; \$7,065,913 is restricted for current year excess surplus in accordance with N.J.S.A. 18A:7F (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2026; and \$1,262,142 is unassigned fund balance which is \$215,879 less than the calculated maximum unassigned fund balance due to the final two state aid payments that are not recognized on the GAAP basis until the fiscal year ending June 30, 2025.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2024 is \$409,795 and is restricted for student activities and scholarships.

Capital Projects Fund: Of the \$44,410,476 of Capital Projects Fund balance at June 30, 2024, \$42,016,374 is restricted, \$1,188,200 is committed and \$1,205,902 is assigned.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, 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 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 excess surplus as noted above.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

T. Fund Balance Appropriated: (Cont'd)

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 last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

U. Deficit Net Position:

The District has a deficit in unrestricted net position of \$6,562,113 in governmental activities, which is primarily due to unamortized bond premiums and PERS net pension liability and deferred inflows and outflows associated with PERS pension. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

V. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2024 for the Deferred Amount on Refunding related to the District's 2013 refunding bonds and pensions.

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 of resources at June 30, 2024 for deferred inflows 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.

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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

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 the 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 have been restricted, committed or assigned.

Fund balance restrictions have been established for a capital reserve, maintenance reserve, excess surplus, unemployment compensation insurance, scholarships, student activities, and the capital projects fund.

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 had committed resources at June 30, 2024 in the capital projects fund.

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 and for subsequent year's expenditures in the General Fund and for arbitrage rebate in the Capital Projects Fund at June 30, 2024.

X. Revenue - Exchange and Nonexchange 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.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income 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 nonexchange 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

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 fees for the summer enrichment program. 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.

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

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 in the section of this note on investments.

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

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%.

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;

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

Investments: (Cont'd)

- (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); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

Investments: (Cont'd)

As of June 30, 2024, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents						Total
	Restricted				Unrestricted		
	Capital Reserve	Maintenance Reserve	Unemployment Compensation	Student Scholarships			
Checking Accounts	\$3,065,554	\$ 63,690	\$ 147,440	\$ 16,321	\$367,450	\$58,655,404	\$62,315,859
Savings Accounts						186,583	186,583
Certificates of Deposit					26,024		26,024
	\$3,065,554	\$ 63,690	\$ 147,440	\$ 16,321	\$393,474	\$58,841,987	\$62,528,466

During the period ended June 30, 2024, the District did not hold any investments other than certificates of deposit. The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$62,528,466 and the bank balance was \$63,033,539.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Hanover Park Regional High School District by inclusion of \$800,000 on July 1, 1996 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 NJ Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the 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, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance at July 1, 2023	\$ 2,068,524
Increased by:	
Return of Unused Funds - Capital Projects Fund	397,043
Transfer by Board Resolution June 2024	1,000,000
Interest Earnings	95,996
	3,561,563
Decreased by:	
Budgeted Withdrawal for Capital Projects	(496,009)
Ending Balance at June 30, 2024	\$ 3,065,554

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

The balance in the capital reserve account did not exceed the balance of local support costs of uncompleted capital projects in the District’s approved LRFP. The withdrawal from the capital reserve account was for use in facilities projects, consistent with the District’s LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution on June 22, 2011. These funds are restricted to 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.

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 from 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 and designated 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, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance at July 1, 2023	\$	56,413
Interest Earnings		7,277
Ending Balance at June 30, 2024	\$	63,690

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2024 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Adjustments</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 1,961,326			\$ 1,961,326
Construction in Progress	<u>11,529,831</u>	<u>\$ 4,366,735</u>	<u>\$ (953,567)</u>	<u>14,942,999</u>
Total Capital Assets not being Depreciated	<u>13,491,157</u>	<u>4,366,735</u>	<u>(953,567)</u>	<u>16,904,325</u>
Capital Assets being Depreciated:				
Site Improvements	3,041,346		375,610	3,416,956
Buildings and Building Improvements	54,319,490	118,629	577,957	55,016,076
Machinery and Equipment	<u>6,631,765</u>	<u>457,215</u>		<u>7,088,980</u>
Total Capital Assets being Depreciated	<u>63,992,601</u>	<u>575,844</u>	<u>953,567</u>	<u>65,522,012</u>
Governmental Activities Capital Assets	<u>77,483,758</u>	<u>4,942,579</u>		<u>82,426,337</u>
Less Accumulated Depreciation for:				
Site Improvements	(2,369,975)	(81,956)		(2,451,931)
Buildings and Building Improvements	(21,146,932)	(969,467)		(22,116,399)
Machinery and Equipment	<u>(4,716,170)</u>	<u>(353,000)</u>		<u>(5,069,170)</u>
Total Accumulated Depreciation	<u>(28,233,077)</u>	<u>(1,404,423)</u>		<u>(29,637,500)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 49,250,681</u>	<u>\$ 3,538,156</u>	<u>\$ - 0 -</u>	<u>\$ 52,788,837</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 398,188			\$ 398,188
Less Accumulated Depreciation	<u>(396,009)</u>	<u>\$ (623)</u>		<u>(396,632)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 2,179</u>	<u>\$ (623)</u>	<u>\$ - 0 -</u>	<u>\$ 1,556</u>
Total Governmental and Business Type Activities Capital Assets, Net	<u>\$ 49,252,860</u>	<u>\$ 3,537,533</u>	<u>\$ - 0 -</u>	<u>\$ 52,790,393</u>

During the year ended June 30, 2024, the District had active construction projects totaling \$14,942,999 of which the District expended \$4,366,735 during the year and has \$2,287,525 in construction encumbrances at June 30, 2024.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 21,422
Operations & Maintenance of Plant	18,376
Student Transportation	281,221
Central Services	11,753
Unallocated	1,071,651
	1,071,651
Total Depreciation	\$ 1,404,423

NOTE 7. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2024, the District transferred \$233,131 to the capital outlay accounts for equipment for which County Superintendent approval was not required.

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2024, the following changes occurred in the long-term liabilities reported in the district-wide financial statements:

	Balance 6/30/2023	Issued/ Accrued	Matured/ Retired	Balance 6/30/2024	Due within One Year
Serial Bonds Payable	\$ 51,269,000		\$ 4,344,000	\$ 46,925,000	\$ 3,980,000
Unamortized Bond Issuance Premium	581,337		193,779	387,558	193,779
Net Pension Liability	8,411,836		501,351	7,910,485	
Financed Purchases Payable	130,000		130,000		
Compensated Absences Payable	776,295		79,275	697,020	
Arbitrage Rebate Payable		\$ 1,205,902		1,205,902	
	\$ 61,168,468	\$ 1,205,902	\$ 5,248,405	\$ 57,125,965	\$ 4,173,779

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds and will be liquidated through the Debt Service Fund. The current portion of bonds payable is \$3,980,000 and the long-term portion is \$42,945,000.

On March 15, 2023, the District issued \$44,349,000 in school bonds which were authorized by voter referendum for the rehabilitation, renovation, alteration and improvement of Hanover Park and Whippany Park High Schools. The bonds mature in serial installments due March 15, 2024 through March 15, 2043 at interest rates ranging from 3.00% to 4.00% over the life of the issue.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

A. Bonds Payable: (Cont'd)

On March 14, 2013 the District issued \$18,480,000 refunding bonds with interest rates ranging from 3.0%- 4.0% to refund \$19,014,000 of the \$31,714,000 school bonds dated July 15, 2005 with rates ranging from 3.75- 4.25%. The refunding bonds will mature on October 1, 2016 through October 1, 2025 and constitute an advanced refunding. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent who will pay the debt service requirements of the refunded bonds and redeemed refunded bonds, at a redemption price equal to 100% of par, on October 1, 2015, which was the first optional redemption date. The refunding met the requirements of an in-substance debt defeasance and the school bonds were removed from the District's government-wide financial statements. As a result of the advance refunding, the District reduced its total debt service requirements by \$925,078, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt).

Serial Bonds Outstanding as of June 30, 2024

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount</u>
School Refunding Bonds of 2013	10/01/25	4.00%	\$ 3,780,000
School Bonds of 2023	03/15/43	3.00-4.00%	43,145,000
			<u>\$ 46,925,000</u>

Principal and interest due on serial bonds outstanding are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,980,000	\$ 1,640,600	\$ 5,620,600
2026	3,895,000	1,503,650	5,398,650
2027	2,150,000	1,405,250	3,555,250
2028	2,150,000	1,340,750	3,490,750
2029	2,150,000	1,276,250	3,426,250
Thereafter:			
2030-2034	11,050,000	5,245,500	16,295,500
2035-2039	11,950,000	3,232,250	15,182,250
2040-2043	9,600,000	960,000	10,560,000
	<u>\$ 46,925,000</u>	<u>\$ 16,604,250</u>	<u>\$ 63,529,250</u>

B. Bonds Authorized But Not Issued:

The Board had \$1,279 of bonds authorized but not issued at June 30, 2024.

C. Arbitrage Rebate Liability:

The District is subject to liability for arbitrage rebate to the federal government relative to its \$44,349,000 Bonds dated March 15, 2023. The long-term portion for arbitrage rebate liability is \$1,205,902 and will be liquidated through the Debt Service Fund.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

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

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability and will be liquidated through the General Fund. The current portion of the liability is \$-0- and the long-term portion is \$697,020.

The District had no liability at June 30, 2024 for compensated absences in its Food Service or Summer Enrichment 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 long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2024 is \$-0- and the long-term portion is \$7,910,485. See Note 9 for further information on the PERS.

F. Unamortized Bond Issuance Premium:

The bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities and will be liquidated through the General Fund. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$193,779 and is separated from the long-term portion of \$193,779.

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 Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under 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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (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 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 member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 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.

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 \$729,931 for the current fiscal year. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$24,670 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

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Special Funding Situation (Cont'd)

Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

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

At June 30, 2024, the District reported a liability of \$7,910,485 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. 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, 2023, the District's proportion was 0.0546%, which was a decrease of 0.0011% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the District recognized an actual pension benefit in the amount of \$378,720. Additionally, for the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$24,670 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

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

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2019	5.21		\$ 42,970
	2020	5.16		390,981
	2021	5.13	\$ 17,378	
	2022	5.04		45,458
				17,378
Difference Between Expected and Actual Experience	2019	5.21	3,285	
	2020	5.16	21,782	
	2021	5.13		13,820
	2022	5.04		18,516
	2023	5.08		50,567
			75,634	32,336

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual	2020	5.00	\$ 122,505	
Investment Earnings on Pension Plan Investments	2021	5.00	(1,018,804)	
	2022	5.00	1,212,129	
	2023	5.00	(279,401)	
			<u>36,429</u>	
Changes in Proportion	2019	5.21		\$ 36,485
	2020	5.16		184,195
	2021	5.13		279,164
	2022	5.04	340,622	
	2023	5.08		150,649
			<u>340,622</u>	<u>650,493</u>
District Contribution Subsequent to the Measurement Date	2023	1.00	805,000	
			<u>\$ 1,275,063</u>	<u>\$ 1,162,238</u>

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2024	\$ (668,858)
2025	(314,457)
2026	383,843
2027	(90,741)
2028	(1,961)
	<u>\$ (692,175)</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions

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

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, 2022 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, 2023) 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, 2023 are summarized in the table on the following page:

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based 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.

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, 2023 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, 2023		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 10,297,769	\$ 7,910,485	\$ 5,878,591

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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 2023, 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 nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2024, the State of New Jersey contributed \$4,961,464 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$1,460,164.

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, 2024, the State's proportionate share of the net pension liability associated with the District was \$59,435,786. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. 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, 2023, the District's proportion was 0.116%, which was an increase of 0.0007% from its proportion measured as of June 30, 2022.

District's Proportionate Share of the Net Pension Liability	\$ - 0 -
State's Proportionate Share of the Net Pension Liability Associated with the District	59,435,786
	59,435,786
Total	\$ 59,435,786

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(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)

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$1,460,164 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 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	2016	8.30	\$ 391,340,712	
	2017	8.30		\$ 2,080,865,206
	2018	8.29		1,883,063,885
	2019	8.04		1,514,535,609
	2020	7.99	805,517,879	
	2021	7.93		9,179,534,541
	2022	7.83	82,066,487	
			<u>1,278,925,078</u>	<u>14,657,999,241</u>
Difference Between Expected and Actual Experience	2016	8.30		4,866,656
	2017	8.30	37,022,988	
	2018	8.29	330,339,649	
	2019	8.04		58,842,090
	2020	7.99		4,293,040
	2021	7.93	121,815,868	
	2022	7.83		15,372,285
	2023	7.93	169,161,907	
		<u>658,340,412</u>	<u>83,374,071</u>	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	241,395,539	
	2021	5.00	(1,777,316,905)	
	2022	5.00	2,489,500,994	
	2023	6.00	(477,296,442)	
		<u>476,283,186</u>		
		<u>\$ 2,413,548,676</u>	<u>\$14,741,373,312</u>	

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(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)

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
2024	\$ (3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	56,606,524
	\$ (12,327,824,636)

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 4.25% based on years of service
Investment Rate of Return	7.00%

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (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, 2023) 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, 2023 are summarized in the following table:

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(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, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be 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 State's Proportionate Share of the Net Pension Liability Associated with the District 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, 2023 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, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 70,085,578	\$ 59,435,786	\$ 50,466,131

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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

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 \$38,593 for the fiscal year ended June 30, 2024. Employee contributions to DCRP amounted to \$50,865 for the year ended June 30, 2024.

NOTE 10. DEFERRED COMPENSATION

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is administered by Lincoln Investment Planning, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

The plan administrator is Lincoln Investment Planning, Inc., 4 Commerce Drive, 3rd Floor, Cranford, NJ 07016.

NOTE 11. RISK MANAGEMENT

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

Property, Liability and Health Benefits

The District maintains insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report. Health Benefits are provided to the employees through the State of New Jersey Health Benefits Plan.

The Board is a member of the New Jersey Schools Insurance Group ("the Group"). This public entity risk management pool provides its members with Workers' Compensation, General Liability and Property and Automobile Liability insurance coverage. The Group is a risk-sharing fund 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 Group are elected.

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

The Group 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits (Cont'd)

The June 30, 2024 audit report for the Group is not available as of the date of this report. Selected, summarized financial information for the Group as of June 30, 2023 is as follows:

Total Assets	\$ 429,049,188
Net Position	\$ 201,308,725
Total Revenue	\$ 160,069,780
Total Expenses	\$ 141,165,428
Change in Net Position	\$ 16,304,414
Members Dividends	\$ 2,599,938

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

New Jersey Schools Insurance Group
6000 Midlantic Drive
Mount Laurel, NJ 08054
(609) 386-6060

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the Unemployment Compensation Restricted Fund Balance for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of the District’s contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District’s Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions and Interest	Amount Reimbursed	Ending Balance
2023-2024	\$ - 0 -	\$ 77,941	\$ 65,358	\$ 147,440
2022-2023	- 0 -	76,671	112,397	134,857
2021-2022	- 0 -	103,191	86,140	170,583

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

The District had the following interfund receivables and payables at June 30, 2024.

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 190,445	
Special Revenue Fund		\$ 190,445
	\$ 190,445	\$ 190,445

The interfund receivable in the General Fund and the interfund payable in the Special Revenue Fund represents funds advanced to the Special Revenue Fund awaiting the collection of grants receivable.

NOTE 13. 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 a predetermined, agreed-upon schedule.

NOTE 14. 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 any potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 14. CONTINGENT LIABILITIES (Cont'd)

Encumbrances

At June 30, 2024, there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<u>\$ 777,206</u>	<u>\$ 20,902</u>	<u>\$ 2,287,525</u>	<u>\$ 3,085,633</u>

On the District’s Governmental Funds Balance Sheet as of June 30, 2024, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$20,902 less than 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 receivables or an increase in unearned revenue. In the Capital Projects Fund, \$1,375,325 of encumbrances in is included in restricted fund balance and \$912,200 is included in committed fund balance.

NOTE 15. 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 16. TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. TAX ABATEMENTS (Cont'd)

The Borough of Florham Park recognized revenue in the amount of \$498,472 from payment in lieu of taxes ("PILOT") agreements. The taxes which would have been paid on these properties for 2023 without the abatement would have been \$1,014,465 of which \$185,020 would have been for the regional high school tax.

NOTE 17. ACCOUNTS PAYABLE

The following accounts payable existed as of June 30, 2024:

	<u>Governmental Funds</u>		District Contribution Subsequent to the	Total	Business-type Activities	Total
	General Fund	Special Revenue Fund	Measurement Date	Governmental Activities	Proprietary Funds	
		Total Governmental Funds				
Vendors	\$ 333,991	\$12,763		\$ 346,754	\$ 15,249	\$ 362,003
Payroll Deductions and Withholding	280,807			280,807		280,807
Accrued Salaries and Wages	519,956			519,956		519,956
Due to the State of New Jersey			\$ 805,000	805,000		805,000
	<u>\$ 1,134,754</u>	<u>\$12,763</u>		<u>\$ 1,147,517</u>	<u>\$ 15,249</u>	<u>\$ 1,967,766</u>

NOTE 18. 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 Codification Section P50, 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 Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pensions*. The State Health 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

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>.

Employees Covered by Benefit Terms

At June 30, 2022, the plan membership consisted of the following:

Retirees Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	152,383
Active Plan Members	217,212
Total	369,595

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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 June 30, 2022 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 – June 30, 2021.

100% of active employees are considered to participate in the Plan upon retirement.

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 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65%. 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2022	\$ 58,907,362
Changes for Year:	
Service Cost	2,360,194
Interest Cost	2,144,870
Changes of Assumptions	122,752
Differences between Expected and Actual Experience	(1,016,865)
Gross Benefit Payments by the State	(1,671,961)
Contributions from Members	54,965
Net Changes	1,993,955
Balance at June 30, 2023	\$ 60,901,317

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, 2023, 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, 2023		
	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
	Total OPEB Liability Attributable to the District	\$ 71,396,339	\$ 60,901,317

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, 2023, 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:

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

	June 30, 2023		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 50,557,482	\$ 60,901,317	\$ 74,436,251

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

For the fiscal year ended June 30, 2024 the District recognized OPEB expense of \$1,633,889 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, 2023 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	Year of Deferral	Original Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 2,194,504
	2018	9.51		2,271,509
	2019	9.29	\$ 334,174	
	2020	9.24	8,170,016	
	2021	9.24	46,501	
	2022	9.13		12,340,573
	2023	9.30	109,553	
			8,660,244	16,806,586
Differences Between Expected and Actual Experience	2018	9.51		2,147,282
	2019	9.29		3,933,256
	2020	9.24	7,614,775	
	2021	9.24		8,942,555
	2022	9.13	1,270,902	
	2023	9.30		1,017,707
			8,885,677	16,040,800
Changes in Proportion	N/A	N/A	1,369,958	707,660
			\$ 18,915,879	\$ 33,555,046

N/A - Not Available

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
 (Continued)

NOTE 18. 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)

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

Fiscal Year Ending June 30,	Total
2024	\$ (3,037,090)
2025	(3,037,089)
2026	(2,639,659)
2027	(1,556,243)
2028	(318,544)
Thereafter	(4,712,840)
	\$ (15,301,465)

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the Net Pension Liability	0.0575238109%	0.0527891370%	0.0608193031%	0.0602127692%	0.0634886552%	0.0594925225%	0.0558532149%	0.0527704242%	0.0557393523%	0.0546139254%
District's proportionate share of the Net Pension Liability	\$ 10,770,031	\$ 11,850,103	\$ 18,012,933	\$ 14,016,570	\$ 12,500,000	\$ 10,719,650	\$ 9,108,199	\$ 6,251,448	\$ 8,411,836	\$ 7,910,485
District's Covered Employee Payroll	\$ 3,796,444	\$ 3,887,969	\$ 3,961,621	\$ 4,017,384	\$ 3,909,098	\$ 3,722,457	\$ 3,830,763	\$ 3,774,850	\$ 3,950,184	\$ 4,111,633
District's proportionate share of the Net Pension Liability as a % of its Covered Employee Payroll	283.69%	304.79%	454.69%	348.90%	319.77%	287.97%	237.76%	165.61%	212.95%	192.39%
Plan Fiduciary Net Position as a % of the Total Pension Liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 474,218	\$ 453,845	\$ 543,864	\$ 566,478	\$ 634,762	\$ 581,486	\$ 611,007	\$ 618,003	\$ 702,900	\$ 729,931
Contributions in relation to the Contractually Required Contribution	(474,218)	(453,845)	(543,864)	(566,478)	(634,762)	(581,486)	(611,007)	(618,003)	(702,900)	(729,931)
Contribution Deficiency/(Excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Covered Employee Payroll	\$ 3,887,969	\$ 3,961,621	\$ 4,017,384	\$ 3,909,098	\$ 3,722,457	\$ 3,830,763	\$ 3,774,850	\$ 3,950,184	\$ 4,111,633	\$ 4,178,216
Contributions as a percentage of Covered Employee Payroll	12.20%	11.46%	13.54%	14.49%	17.05%	15.18%	16.19%	15.64%	17.10%	17.47%

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the Net Pension Liability attributable to the District	0.1206990792%	0.1188149302%	0.1185157526%	0.1195199449%	0.1176329769%	0.1186390035%	0.1189157773%	0.1153409310%	0.1158031876%	0.1164661518%
State's proportionate share of the Net Pension Liability attributable to the District	\$ 64,509,730	\$ 75,096,110	\$ 93,232,037	\$ 80,584,657	\$ 74,835,573	\$ 72,809,876	\$ 78,304,609	\$ 55,450,370	\$ 59,747,978	\$ 59,435,786
District's Covered Employee Payroll	\$ 12,008,103	\$ 12,004,910	\$ 12,070,586	\$ 12,398,615	\$ 12,680,670	\$ 12,495,852	\$ 12,892,190	\$ 13,199,603	\$ 13,697,508	\$ 14,177,726
State's proportionate share of the Net Pension Liability attributable to the District as a % of District's Covered Employee Payroll	537.22%	625.54%	772.39%	649.95%	590.15%	582.67%	607.38%	420.09%	436.20%	419.22%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

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

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 3,471,229	\$ 4,585,294	\$ 7,005,090	\$ 5,582,497	\$ 4,362,652	\$ 4,294,521	\$ 4,869,314	\$ 1,304,772	\$ 1,607,985	\$ 1,460,164
Contributions in relation to the Contractually Required Contribution	(642,357)	(948,884)	(1,297,358)	(1,732,319)	(2,333,342)	(2,608,278)	(3,352,821)	(4,767,219)	(4,761,207)	(4,941,464)
Contribution Deficiency/(Excess)	\$ 2,828,872	\$ 3,636,410	\$ 5,707,732	\$ 3,850,178	\$ 2,029,310	\$ 1,686,243	\$ 1,516,493	\$ (3,462,447)	\$ (3,153,222)	\$ (3,481,300)
District's Covered Employee Payroll	\$12,004,910	\$12,070,586	\$12,398,615	\$12,680,670	\$12,495,852	\$12,892,190	\$13,199,603	\$13,697,508	\$14,177,726	\$14,816,890
Contributions as a percentage of Covered Employee Payroll	5.35%	7.86%	10.46%	13.66%	18.67%	20.23%	25.40%	34.80%	33.58%	33.35%

HANOVER PARK 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 SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability:							
Service Cost	\$ 2,670,677	\$ 2,208,352	\$ 2,001,965	\$ 2,036,479	\$ 3,533,798	\$ 3,078,616	\$ 2,360,194
Interest Cost	1,932,126	2,239,377	2,122,096	1,760,576	1,799,087	1,561,110	2,144,870
Changes in Benefit Terms					(73,818)		
Changes in Assumptions	(8,011,206)	(6,145,614)	729,391	14,267,675	68,422	(15,802,428)	122,752
Differences between Expected & Actual Experience		(4,394,636)	(8,031,192)	12,442,697	(12,711,584)	2,213,910	(1,016,865)
Member Contributions	52,051	49,493	44,514	41,215	45,994	49,607	54,965
Gross Benefit Payments	(1,413,567)	(1,432,020)	(1,501,677)	(1,359,799)	(1,417,176)	(1,546,326)	(1,671,961)
Net Change in Total OPEB Liability	(4,769,919)	(7,475,048)	(4,634,903)	29,188,843	(8,755,277)	(10,445,511)	1,993,955
Total OPEB Liability - Beginning	65,799,177	61,029,258	53,554,210	48,919,307	78,108,150	69,352,873	58,907,362
Total OPEB Liability - Ending	<u>\$ 61,029,258</u>	<u>\$ 53,554,210</u>	<u>\$ 48,919,307</u>	<u>\$ 78,108,150</u>	<u>\$ 69,352,873</u>	<u>\$ 58,907,362</u>	<u>\$ 60,901,317</u>
District's Covered Employee Payroll *	\$ 16,415,999	\$ 16,589,768	\$ 16,218,309	\$ 16,722,953	\$ 16,974,453	\$ 17,647,692	\$ 18,289,359
Total OPEB Liability as a Percentage of Covered Employee Payroll	372%	323%	302%	467%	409%	334%	333%

* - Covered payroll for the fiscal years ending June 30, 2017 - 2023 are based on the payroll on the June 30, 2016 - 2022 census data.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2022 actuarial valuation the salary increases were 2.75 – 4.25% based on years of service while in the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2023 was 3.65%. The discount rate for June 30, 2022 was 3.54%, a change of .11%.

The health care trend rates in the valuation as of June 30, 2023 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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.

BUDGETARY COMPARISON SCHEDULES

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 35,651,214		\$ 35,651,214	\$ 35,651,214	
Tuition From Individuals				21,833	\$ 21,833
Unrestricted Miscellaneous Revenues	100,000		100,000	1,799,314	1,699,314
Interest Earned on Maintenance Reserve	250		250	7,277	7,027
Interest Earned on Capital Reserve Funds				95,996	94,996
Other Restricted Miscellaneous Revenues	1,000		1,000	7,064	7,064
Total Revenues from Local Sources	<u>35,752,464</u>		<u>35,752,464</u>	<u>37,582,698</u>	<u>1,830,234</u>
Revenues from State Sources:					
Categorical Transportation Aid	702,432		702,432	702,432	
Extraordinary Aid	150,000		150,000	743,071	593,071
Categorical Special Education Aid	1,451,619		1,451,619	1,451,619	
Categorical Security Aid	122,212		122,212	122,212	
Non-Public Transportation Aid				78,416	78,416
Homeless Tuition Reimbursement				8,561	8,561
TPAF Post Retirement Contributions (Non-Budgeted)				1,360,223	1,360,223
TPAF Pension Contributions (Non-Budgeted)				4,941,464	4,941,464
TPAF Non-Contributory Insurance (Non-Budgeted)				56,355	56,355
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,860	1,860
Reimbursed TPAF Social Security Contributions				1,040,736	1,040,736
Total Revenues from State Sources	<u>2,426,263</u>		<u>2,426,263</u>	<u>10,506,949</u>	<u>8,080,686</u>
Revenues from Federal Sources:					
Medicaid Reimbursement	14,385		14,385	369	(14,016)
Total Revenues from Federal Sources	<u>14,385</u>		<u>14,385</u>	<u>369</u>	<u>(14,016)</u>
TOTAL REVENUE	<u>38,193,112</u>		<u>38,193,112</u>	<u>48,090,016</u>	<u>9,896,904</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 10,421,852	\$ (43,620)	\$ 10,378,232	\$ 9,940,556	\$ 437,676
Regular Programs - Home Instruction:					
Salaries of Teachers	35,000		35,000	30,888	4,112
Purchased Professional-Educational Services	35,220		35,220	21,059	14,161
Other Purchased Services (400-500 series)	1,000		1,000	147	853
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	24,900	(12,950)	11,950	3,399	8,551
Other Purchased Services (400-500 series)	270,913	(11,725)	259,188	213,419	45,769
General Supplies	605,200	16,642	621,842	574,167	47,675
Textbooks	94,558	(22,348)	72,210	60,378	11,832
Other Objects	15,680	(417)	15,263	11,526	3,737
Total Regular Programs - Instruction	<u>11,504,323</u>	<u>(74,418)</u>	<u>11,429,905</u>	<u>10,855,539</u>	<u>574,366</u>
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	66,546	1,944	68,490	67,007	1,483
Other Purchased Services (400-500 series)	475		475		475
General Supplies	2,507	1,547	4,054	3,926	128
Textbooks	500	(500)			
Other Objects	800	(500)	300	33	267
Total Cognitive -Mild	<u>70,828</u>	<u>2,491</u>	<u>73,319</u>	<u>70,966</u>	<u>2,353</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of Teachers	\$ 68,316	\$ 1,522	\$ 69,838	\$ 69,837	\$ 1
Other Purchased Services (400-500 series)	300		300		300
General Supplies	3,465	(522)	2,943	2,618	325
Textbooks	1,000	(1,000)			
Other Objects	800		800		800
Total Multiple Disabilities	<u>73,881</u>		<u>73,881</u>	<u>72,455</u>	<u>1,426</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,152,717	(1,944)	1,150,773	1,075,092	75,681
Other Purchased Services (400-500 series)	541	100	641	140	501
General Supplies	1,250		1,250		1,250
Textbooks	400	(10)	390		390
Total Resource Room/Resource Center	<u>1,154,908</u>	<u>(1,854)</u>	<u>1,153,054</u>	<u>1,075,232</u>	<u>77,822</u>
Home Instruction:					
Salaries of Teachers	9,000	11,526	20,526	20,526	
Purchased Professional-Educational Services	9,000	(8,975)	25		25
Other Purchased Services (400-500 series)	1,000		1,000	17	983
Total Home Instruction	<u>19,000</u>	<u>2,551</u>	<u>21,551</u>	<u>20,543</u>	<u>1,008</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,318,617</u>	<u>3,188</u>	<u>1,321,805</u>	<u>1,239,196</u>	<u>82,609</u>
Bilingual Education - Instruction:					
Salaries of Teachers	28,500	17,807	46,307	46,306	1
Purchased Professional-Educational Services	5,000	(5,000)			
Other Purchased Services (400-500 series)	1,039	5,001	6,040	2,401	3,639
General Supplies	500		500		500
Total Bilingual Education - Instruction	<u>35,039</u>	<u>17,808</u>	<u>52,847</u>	<u>48,707</u>	<u>4,140</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	\$ 256,948	\$ 7,207	\$ 264,155	\$ 264,154	\$ 1
Purchased Services (300-500 series)	7,670	7,030	14,700	10,677	4,023
Supplies and Materials	6,889	(2,924)	3,965	2,235	1,730
Other Objects	11,420	(3,273)	8,147	6,634	1,513
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	<u>282,927</u>	<u>8,040</u>	<u>290,967</u>	<u>283,700</u>	<u>7,267</u>
School-Sponsored Athletics - Instruction:					
Salaries	929,403	443	929,846	927,703	2,143
Purchased Services (300-500 series)	218,162	22,567	240,729	223,925	16,804
Supplies and Materials	95,521	3,000	98,521	86,569	11,952
Other Objects	53,653	11,836	65,489	61,524	3,965
Total School-Sponsored Athletics - Instruction	<u>1,296,739</u>	<u>37,846</u>	<u>1,334,585</u>	<u>1,299,721</u>	<u>34,864</u>
TOTAL INSTRUCTION	<u>14,437,645</u>	<u>(7,536)</u>	<u>14,430,109</u>	<u>13,726,863</u>	<u>703,246</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	299,370	(17,195)	282,175	102,136	180,039
Tuition to County Voc. School Dist.-Regular	1,341,292	20,001	1,361,293	1,190,018	171,275
Tuition to County Voc. School Dist.-Special	78,210	(20,000)	58,210	26,655	31,555
Tuition to Priv. Sch. for the Handicap. W/I State	3,270,713	(3,979)	3,266,734	2,222,582	1,044,152
Tuition to Priv Sch Handicap & Oth LEAs-Spl,O/S St	200,000	3,979	203,979	191,470	12,509
Total Undistributed Expenditures - Instruction	<u>5,189,585</u>	<u>(17,194)</u>	<u>5,172,391</u>	<u>3,732,861</u>	<u>1,439,530</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attendance & Social Work:					
Salaries	\$ 231,591	\$ (30,823)	\$ 200,768	\$ 195,096	\$ 5,672
Supplies and Materials	900	(770)	130	130	
Total Undist. Expend. - Attendance and Social Work	<u>232,491</u>	<u>(31,593)</u>	<u>200,898</u>	<u>195,226</u>	<u>5,672</u>
Undistributed Expenditures - Health Services:					
Salaries	180,639	1,405	182,044	181,493	551
Purchased Professional and Technical Services	75,095	(1,404)	73,691	48,578	25,113
Other Purchased Services (400-500 series)	3,670	(320)	3,350	3,233	117
Supplies and Materials	6,731	825	7,556	6,787	769
Other Objects	950	(575)	375	362	13
Total Undist. Expenditures - Health Services	<u>267,085</u>	<u>(69)</u>	<u>267,016</u>	<u>240,453</u>	<u>26,563</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	150,380		150,380	144,757	5,623
Purchased Professional - Educational Services	89,874	(14,339)	75,535	63,432	12,103
Supplies and Materials	751		751	481	270
Other Objects	563	200	763	284	479
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>241,568</u>	<u>(14,139)</u>	<u>227,429</u>	<u>208,954</u>	<u>18,475</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.:					
Salaries	\$ 1,600,537		\$ 1,600,537	\$ 1,456,500	\$ 144,037
Purchased Professional - Educational Services	471,239	\$ 22,918	494,157	335,651	158,506
Supplies and Materials	19,375		19,375	14,386	4,989
Other Objects	2,000		2,000		2,000
Total Undist. Expend. - Other Supp. Srvs. Students - Extra. Serv.	2,093,151	22,918	2,116,069	1,806,537	309,532
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	1,127,253	6,341	1,133,594	1,133,592	2
Salaries of Secretarial and Clerical Assistants	186,114	1,008	187,122	187,122	
Other Purchased Prof. and Tech. Services	350		350		350
Other Purchased Services (400-500 series)	49,673	(6,133)	43,540	43,028	512
Supplies and Materials	2,441	(275)	2,166	1,142	1,024
Other Objects	3,025	(941)	2,084	1,774	310
Total Undist Expend. - Guidance	1,368,856		1,368,856	1,366,658	2,198
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	522,920	(29,081)	493,839	471,148	22,691
Salaries of Secretarial and Clerical Assistants	121,766	2,830	124,596	124,596	
Purchased Professional - Educational Services	2,930	(2,866)	64		64
Other Purchased Services (400-500 series)	74,099	(10,229)	63,870	37,455	26,415
Supplies and Materials	10,598	1,525	12,123	6,902	5,221
Other Objects	2,000	(712)	1,288	815	473
Total Undist Expend. - Child Study Team	734,313	(38,533)	695,780	640,916	54,864

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	\$ 390,921	\$ (132,153)	\$ 258,768	\$ 234,240	\$ 24,528
Salaries of Secretarial and Clerical Assistants	90,246	(23,527)	66,719	60,354	6,365
Other Purchased Services (400-500 series)	19,575	75	19,650	18,718	932
Supplies and Materials	500	(75)	425		425
Total Undist. Expend.-Improv. of Inst. Serv.	501,242	(155,680)	345,562	313,312	32,250
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	190,891	(27)	190,864	189,890	974
Salaries of Technology Coordinators	52,553	27	52,580	52,579	1
Other Purchased Services (400-500 series)	17,831	(296)	17,535	12,003	5,532
Supplies and Materials	35,321	7,586	42,907	33,626	9,281
Other Objects	145	15	160	160	
Total Undist Expend-Edu. Media Serv./Sch. Library	296,741	7,305	304,046	288,258	15,788
Undist.Expend.-Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	192,543	(65,089)	127,454	115,372	12,082
Salaries of Secretarial and Clerical Assistants	40,626	(7,764)	32,862	29,726	3,136
Other Purchased Services (400-500 series)	4,542		4,542	106	4,436
Supplies and Materials	500		500		500
Other Objects	500		500		500
Total Undist.Expend.-Instructional Staff Training Services	238,711	(72,853)	165,858	145,204	20,654

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	\$ 374,259	\$ 156,160	\$ 530,419	\$ 530,419	
Legal Services	92,752	(683)	92,069	79,254	\$ 12,815
Audit Fees	49,000	1,470	50,470	50,470	
Architectural/Engineering Services	10,500	(6,712)	3,788	1,350	2,438
Other Purchased Professional Services	3,500		3,500	2,725	775
Communications / Telephone	84,016	(2,883)	81,133	69,816	11,317
BOE Other Purchased Services	5,000	1,471	6,471	5,453	1,018
Other Purch. Serv. (400-500 series other than 530 & 585)	119,930	(8,509)	111,421	110,221	1,200
General Supplies	7,181	137	7,318	6,858	460
Miscellaneous Expenditures	6,000	1,640	7,640	7,640	
BOE Membership Dues and Fees	13,229	3,861	17,090	17,090	
Total Undist. Expend.-Support Serv.-Gen. Admin.	765,367	145,952	911,319	881,296	30,023
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	719,974	145,807	865,781	859,279	6,502
Salaries of Secretarial and Clerical Assistants	238,597	2,730	241,327	241,327	
Unused Vacation Payment to Terminated/Retired Staff		23,262	23,262	23,262	
Purchased Professional and Technical Services		445	445		445
Other Purchased Services (400-500 series)	30,396	7,920	38,316	28,155	10,161
Supplies and Materials	23,549	(6,345)	17,204	16,281	923
Other Objects	36,012	825	36,837	36,782	55
Total Undist. Expend.-Support Serv.-School Adm.	1,048,528	174,644	1,223,172	1,205,086	18,086

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	\$ 391,846	\$ 2,093	\$ 393,939	\$ 393,939	
Purchased Technical Services	59,351	(2,936)	56,415	40,869	\$ 15,546
Miscellaneous Purchased Services (400-500 series other than 594)	29,742	(425)	29,317	19,814	9,503
Supplies and Materials	9,105	1,600	10,705	10,564	141
Other Objects	3,400		3,400		3,400
Total Undist. Expend. - Central Services	493,444	332	493,776	465,186	28,590
Undist. Expend. - Admin. Info. Technology:					
Salaries	238,061	3,115	241,176	241,176	
Purchased Technical Services		2,200	2,200	2,000	200
Other Purchased Services (400-500 series)	142,057	3,835	145,892	139,203	6,689
Supplies and Materials	97,338	5,350	102,688	99,954	2,734
Total Undist. Expend. - Admin. Info. Technology	477,456	14,500	491,956	482,333	9,623
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	297,567	1,625	299,192	276,771	22,421
Cleaning, Repair, and Maintenance Services	512,272	153,311	665,583	539,177	126,406
General Supplies	149,111	13,406	162,517	114,481	48,036
Other Objects	1,525	2,445	3,970	3,153	817
Total Undist. Expend.- Required Maint. for School Facilities	960,475	170,787	1,131,262	933,582	197,680

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 819,761	\$ (6,025)	\$ 813,736	\$ 685,760	\$ 127,976
Purchased Professional and Technical Services	81,435	(20,868)	60,567	47,006	13,561
Cleaning, Repair, and Maintenance Services	46,034	(1,119)	44,915	37,016	7,899
Other Purchased Property Services	73,798	14,056	87,854	82,417	5,437
Insurance	233,001	(37,472)	195,529	195,528	1
Miscellaneous Purchased Services	40,702	(12,000)	28,702	6,153	22,549
General Supplies	94,916	(24,000)	70,916	67,206	3,710
Energy (Natural Gas)	237,444	(3,094)	234,350	183,942	50,408
Energy (Electricity)	388,524	(7,000)	381,524	314,453	67,071
Other Objects	525	(100)	425		425
Total Undist. Expend.-Custodial Services	2,016,140	(97,622)	1,918,518	1,619,481	299,037
Care and Upkeep of Grounds:					
Salaries	237,310		237,310	231,281	6,029
Purchased Professional and Technical Services	7,580		7,580		7,580
Cleaning, Repair, and Maintenance Services	94,008	74,611	168,619	156,373	12,246
General Supplies	89,756	(40,912)	48,844	45,448	3,396
Total Care And Upkeep Of Grounds	428,654	33,699	462,353	433,102	29,251
Security:					
Purchased Professional and Technical Services	118,343	(2,589)	115,754	86,955	28,799
Cleaning, Repair, and Maintenance Services	2,000		2,000		2,000
General Supplies	31,531	7,878	39,409	37,369	2,040
Total Security	151,874	5,289	157,163	124,324	32,839
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	3,557,143	112,153	3,669,296	3,110,489	558,807

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 56,000	\$ 1,599	\$ 57,599	\$ 57,599	
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	966,679	(1,599)	965,080	492,030	\$ 473,050
Sal. for Pupil Trans. (Bet. Home and Sch)-Spl. Ed.	240,800	(2,149)	238,651	60,065	178,586
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	184,829		184,829	161,447	23,382
Sal. For Pupil Trans. (Bet. Home & Sch) Non Public	60,000	(14,115)	45,885	13,110	32,775
Management Fee - ESC&CTSA Transportation Program	1,200	1,344	2,544	2,544	
Other Purchased Professional and Technical Services	3,235	4,934	8,169	2,809	5,360
Cleaning, Repair, and Maint. Services	4,342	20,185	24,527	24,446	81
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	76,336	30,700	107,036	107,035	1
Contr. Serv.-Aid in Lieu of Payments-Choice Stud.	2,022	(2,022)			
Contract. Serv.(Spl. Ed. Students)- Vendors	31,145	(15,612)	15,533	10,803	4,730
Contract. Serv.(Reg. Students)-ESCs & CTSAAs	310,000	(1,165)	308,835	231,611	77,224
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAAs	710,000		710,000	673,107	36,893
Misc. Purchased Serv. - Transportation	91,250	(8,118)	83,132	79,904	3,228
General Supplies	810		810	657	153
Transportation Supplies	349,487	(4,316)	345,171	267,544	77,627
Other Objects	5,000	1,000	6,000	5,604	396
Total Undist. Expend.-Student Trans. Serv.	3,093,135	10,666	3,103,801	2,190,315	913,486

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS					
Social Security Contributions	\$ 584,521	\$ 9,904	\$ 594,425	\$ 594,424	\$ 1
Other Retirement Contributions - PERS	750,000	(18,593)	731,407	729,931	1,476
Other Retirement Contributions - Regular		38,593	38,593	38,593	
Workers Compensation	249,300	72,056	321,356	293,264	28,092
Health Benefits	6,320,000	(526,421)	5,793,579	5,709,840	83,739
Tuition Reimbursement	17,455		17,455	16,882	573
Other Employee Benefits	27,002		27,002	21,263	5,739
Unused Sick Payment to Terminated/Retired Staff		23,262	23,262	6,020	17,242
TOTAL UNALLOCATED BENEFITS	<u>7,948,278</u>	<u>(401,199)</u>	<u>7,547,079</u>	<u>7,410,217</u>	<u>136,862</u>
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				1,360,223	(1,360,223)
TPAF Pension Contributions (Non-Budgeted)				4,941,464	(4,941,464)
TPAF Non-Contributory Insurance (Non-Budgeted)				56,355	(56,355)
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,860	(1,860)
Reimbursed TPAF Social Security Contributions				1,040,736	(1,040,736)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				<u>7,400,638</u>	<u>(7,400,638)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>7,948,278</u>	<u>(401,199)</u>	<u>7,547,079</u>	<u>14,810,855</u>	<u>(7,263,776)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>28,547,094</u>	<u>(242,790)</u>	<u>28,304,304</u>	<u>32,083,939</u>	<u>(3,779,635)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>42,984,739</u>	<u>(250,326)</u>	<u>42,734,413</u>	<u>45,810,802</u>	<u>(3,076,389)</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY					
Equipment					
Grades 9-12	\$ 13,496	\$ 9,359	\$ 22,855	\$ 2,106	\$ 20,749
Undistributed:					
Undist.Expend.-Support Serv. - Students - Reg.		216	216		216
Undist. Expend. - Supp Serv. - Related & Extraord.	3,725	(3,725)			
Undistributed Expenditures - Admin. Info. Tech.		168,886	168,886		168,886
Undist. Expend. - Required Maint for School Fac.	33,067	3,528	36,595	21,550	15,045
Undist. Expend. - Custodial Services	5,101		5,101	5,101	
Undist. Expend. - Care and Upkeep of Grounds	42,913	2,500	45,413	45,338	75
School Buses - Regular	420,000	(19)	419,981	389,820	30,161
Undistributed Expenditures - Non-Inst. Serv.		52,386	52,386		52,386
Total Equipment	<u>518,302</u>	<u>233,131</u>	<u>751,433</u>	<u>463,915</u>	<u>287,518</u>
Facilities Acquisition and Construction Serv.:					
Construction Services	1,380,000	(738,991)	641,009	93,952	547,057
Assessment for Debt Service on SDA Funding	106,465		106,465	106,465	
Total Facilities Acquisition and Const. Serv.	<u>1,486,465</u>	<u>(738,991)</u>	<u>747,474</u>	<u>200,417</u>	<u>547,057</u>
TOTAL CAPITAL OUTLAY	<u>2,004,767</u>	<u>(505,860)</u>	<u>1,498,907</u>	<u>664,332</u>	<u>834,575</u>
Transfer of Funds to Charter Schools		17,195	17,195	17,195	
TOTAL EXPENDITURES	<u>44,989,506</u>	<u>(738,991)</u>	<u>44,250,515</u>	<u>46,492,329</u>	<u>(2,241,814)</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficit) of Revenues Over/(Under) Expenditures	\$ (6,796,394)	\$ 738,991	\$ (6,057,403)	\$ 1,597,687	\$ 7,655,090
Other Financing Sources/(Uses):					
Transfer from Capital Projects Fund - Interest Earnings				1,268,919	1,268,919
Transfer from Capital Projects Fund - Unexpended Balances (Capital Outlay)				624,390	624,390
Transfer from Capital Projects Fund - Unexpended Balances (Capital Reserve)				397,043	397,043
Transfers to Cover Deficit (Enterprise Fund)	(56,433)		(56,433)	(56,433)	
Capital Outlay - Transfer to Capital Projects Fund	(496,009)	(738,991)	(738,991)	(738,991)	
Capital Reserve - Transfer to Capital Projects Fund	(496,009)		(496,009)	(496,009)	
Total Other Financing Sources/(Uses)	<u>(552,442)</u>	<u>(738,991)</u>	<u>(1,291,433)</u>	<u>998,919</u>	<u>2,290,352</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(7,348,836)		(7,348,836)	2,596,606	9,945,442
Fund Balance, July 1	15,155,669		15,155,669	15,155,669	
Fund Balance, June 30	<u>\$ 7,806,833</u>	<u>\$ - 0 -</u>	<u>\$ 7,806,833</u>	<u>\$ 17,752,275</u>	<u>\$ 9,945,442</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2025-2026	\$			7,065,913	
Excess Surplus - Restricted For 2024-2025				4,773,378	
Capital Reserve				3,065,554	
Maintenance Reserve				63,690	
Unemployment Compensation				147,440	
Assigned Fund Balance:					
Year End Encumbrances				777,206	
Designated for Subsequent Year's Expenditures				381,073	
Unassigned Fund Balance				1,478,021	
				17,752,275	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(215,879)	
Fund Balance per Governmental Funds (GAAP)				\$ 17,536,396	

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources	\$ 442,514	\$ 117,095	\$ 559,609	\$ 556,076	\$ (3,533)
State Sources		73,530	73,530	73,530	
Federal Sources	407,487	721,955	1,129,442	1,047,751	(81,691)
Total Revenue	850,001	912,580	1,762,581	1,677,357	(85,224)
EXPENDITURES:					
Instruction:					
Salaries		32,500	32,500	32,500	
Purchased Professional and Technical Services	10,548	(3,197)	7,351	7,351	
Other Purchased Services	282,940	521,733	804,673	756,427	48,246
General Supplies	51,296	24,101	75,397	60,528	14,869
Total Instruction	344,784	575,137	919,921	856,806	63,115
Support Services:					
Salaries of Other Professional Staff		116,567	116,567	116,567	
Personal Services - Employee Benefits	2,000	486	2,486	2,486	
Purchased Professional and Technical Services	32,545	10,127	42,672	34,741	7,931
Other Purchased Services	11,484	17,378	28,862	22,060	6,802
Supplies and Materials	20,970	378	21,348	17,505	3,843
Scholarships Awarded	26,100		26,100	25,560	540
Student Activities	412,118	118,977	531,095	531,095	
Total Support Services	505,217	263,913	769,130	750,014	19,116
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment		73,530	73,530	73,530	
Total Facilities Acquisition and Construction Services		73,530	73,530	73,530	
Total Expenditures	850,001	912,580	1,762,581	1,680,350	82,231
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ (2,993)	\$ (2,993)

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 48,090,016	\$ 1,677,357
Differences - Budgetary 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.		
Current Year Encumbrances at year end		(20,902)
Prior Year Encumbrances at year end		14,659
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Basis	193,831	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(215,879)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 48,067,968	\$ 1,671,114
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 46,492,329	\$ 1,680,350
Differences - Budgetary 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.		
Current Year Encumbrances at year end		(20,902)
Prior Year Encumbrances at year end		14,659
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 46,492,329	\$ 1,674,107

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, 2024 was submitted to the County office and was approved by a vote by 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. All budget amendments and transfers must be made by school Board resolution. All budgeting 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).

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISION SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Formal budgetary integration into the accounting system is employed as a management control device during the year. For Governmental Funds, there are no substantial differences between the budgetary basis of accounting and 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 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 the recognition of the last two state aid payments for the current year. Since the is State recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments in the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	ACSERS	IDEA		Elementary and Secondary Education Act		
		Part B Basic	Title I	Title IIA	Title III	Title IV
REVENUE:						
Local Sources						
State Sources						
Federal Sources	\$ 362,698	\$ 281,502	\$ 26,929	\$ 24,551	\$ 10,203	\$ 10,138
Total Revenue	362,698	281,502	26,929	24,551	10,203	10,138
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Purchased Professional & Technical Services						
Other Purchased Services	244,534	281,502	3,550		3,000	
General Supplies			23,379		4,780	
Total Instruction	244,534	281,502	26,929		7,780	
Support Services:						
Salaries of Other Professional Staff	116,567					
Purchased Professional & Technical Services	1,597			15,324		
Other Purchased Services				9,227	675	
Supplies and Materials					1,748	
Total Support Services	118,164			24,551	2,423	10,138
Facilities Acquisition:						
Non-Instructional Equipment						
Total Facilities Acquisition						
Total Expenditures	\$ 362,698	\$ 281,502	\$ 26,929	\$ 24,551	\$ 10,203	\$ 10,138

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	COVID-19 - American Rescue Plan					
	COVID-19 - CRRSA Learning Acceleration	Mental Health	ESSER III	Accelerated Learning Coach & Educator Support	Evidence Based Summer Learning and Enrichment	Evidence Based Comprehensive Beyond the School Day
REVENUE:						
Local Sources						
State Sources						
Federal Sources	\$ 6,924	\$ 17,942	\$ 217,451	\$ 376	\$ 32,955	\$ 11,995
Total Revenue	6,924	17,942	217,451	376	32,955	11,995
EXPENDITURES:						
Instruction:						
Salaries of Teachers						5,000
Purchased Professional and Technical Services	2,351		217,451	376	3,000	
Other Purchased Services					29,955	
General Supplies						
Total Instruction	2,351		217,451	376	32,955	5,000
Support Services:						
Salaries of Other Professional Staff						5,000
Purchased Professional & Technical Services	4,000	8,820				1,995
Other Purchased Services	573	6,676				
Supplies and Materials		2,446				
Total Support Services	4,573	17,942				6,995
Facilities Acquisition:						
Non-Instructional Equipment						
Total Facilities Acquisition						
Total Expenditures	\$ 6,924	\$ 17,942	\$ 217,451	\$ 376	\$ 32,955	\$ 11,995

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	COVID-19 ARP	NJTSS	Mental Health	Emergent and Capital Maintenance Needs	Local Grants	Student Activities	Scholarships	Totals
REVENUE:								
Local Sources								
State Sources			\$ 44,087	\$ 73,530	\$ 2,414	\$ 529,930	\$ 23,732	\$ 556,076
Federal Sources								73,530
								1,047,751
Total Revenue	44,087			73,530	2,414	529,930	23,732	1,677,357
EXPENDITURES:								
Instruction:								
Salaries of Teachers	32,500							32,500
Purchased Professional and Technical Services								7,351
Other Purchased Services	3,014							756,427
General Supplies					2,414			60,528
Total Instruction	35,514				2,414			856,806
Support Services:								
Salaries of Other Professional Staff		2,486						116,567
Personal Services - Employee Benefits								2,486
Purchased Professional & Technical Services								34,741
Other Purchased Services	2,914							22,060
Supplies and Materials	3,173							17,505
Scholarships Awarded							25,560	25,560
Student Activities						531,095		531,095
Total Support Services	8,573					531,095	25,560	750,014
Facilities Acquisition:								
Non-Instructional Equipment				73,530				73,530
Total Facilities Acquisition				73,530				73,530
Total Expenditures	44,087			73,530	2,414	531,095	25,560	1,680,350

CAPITAL PROJECTS FUND

HANOVER PARK 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, 2024

Revenue and Other Financing Sources:	
Transfer from Capital Reserve	\$ 496,009
Transfer from Capital Outlay	738,991
Interest Income	2,474,821
	<hr/>
Total Revenue and Other Financing Sources	3,709,821
	<hr/>
Expenditures:	
Other Purchased Professional Technical Services	1,404,646
Construction Services	2,962,089
	<hr/>
Total Expenditures	4,366,735
	<hr/>
Deficit of Revenue and Other Financing Sources	
Under Expenditures	(656,914)
Other Financing Uses:	
Transfer Out - General Fund - Interest Earnings	(1,268,919)
Transfer Out - General Fund Capital Outlay - Unexpended Balances	(624,390)
Transfer Out - General Fund Capital Reserve - Unexpended Balances	(397,043)
Transfer Out - Debt Service Fund - Unexpended Balances	(3,140,000)
	<hr/>
Total Other Financing Uses	(5,430,352)
	<hr/>
Deficit of Revenues and Other Financing Sources	
Under Expenditures and Other Financing Uses	(6,087,266)
Fund Balance - Beginning	50,497,742
	<hr/>
Fund Balance - Ending	\$ 44,410,476
	<hr/> <hr/>
<u>Recapitulation of Fund Balance:</u>	
Restricted	\$ 40,641,049
Restricted - Year End Encumbrances	1,375,325
Committed	276,000
Committed - Year End Encumbrances	912,200
Assigned - Arbitrage Rebate	1,205,902
	<hr/>
Fund Balance per Governmental Funds (GAAP Basis)	\$ 44,410,476
	<hr/> <hr/>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
ADDITIONS, ALTERATIONS AND RENOVATIONS TO HANOVER PARK HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 20,195,767		\$ 20,195,767	\$ 20,195,767
Local Share	42		42	42
SDA Grant	9,616,996		9,616,996	9,616,996
Total Revenue and Other Financing Sources	29,812,805		29,812,805	29,812,805
Expenditures and Other Financing Uses:				
Other Purchased Professional Technical Services	3,192,895		3,192,895	3,192,895
Construction Services	23,685,851		23,685,851	23,685,851
Other Objects	471,829		471,829	471,829
Transfer of Unexpended Proceeds to Debt Service Fund		\$ 1,999,581	1,999,581	2,462,230
Total Expenditures	27,350,575	1,999,581	29,350,156	29,812,805
Excess/(Deficit) of Revenue & Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	\$ 2,462,230	\$ (1,999,581)	\$ 462,649	\$ - 0 -

Additional Project Information:

Project Number	1990-050-04-1000
Grant Date	5/12/2005
Bond Authorization Date	April 2005
Bonds Authorized	\$ 20,195,767
Bonds Issued	\$ 20,195,767
Original Authorized Cost	\$ 29,812,805
Additional Authorized Cost	\$ - 0 -
Revised Authorized Cost	\$ 29,812,805
% Increase over Original Authorized Cost	0%
% Completion	100%
Original Target Completion Date	September 2008
Revised Target Completion Date	June 2011

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
ADDITIONS, ALTERATIONS AND RENOVATIONS TO WHIPPANY PARK HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 11,518,233		\$ 11,518,233	\$ 11,518,233
Local Share	42		42	42
SDA Grant	4,879,272		4,879,272	4,879,272
Total Revenues and Other Financing Sources	16,397,547		16,397,547	16,397,547
Expenditures and Other Financing Uses:				
Other Purchased Professional Technical Services	1,768,239		1,768,239	1,768,239
Construction Services	11,379,287		11,379,287	11,379,287
Other Objects	305,111	\$ 1,140,419	305,111	305,111
Transfer of Unexpended Proceeds to Debt Service Fund		1,140,419	1,140,419	2,944,910
Total Expenditures	13,452,637	1,140,419	14,593,056	16,397,547
Excess/(Deficit) of Revenue & Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	\$ 2,944,910	\$ (1,140,419)	\$ 1,804,491	\$ - 0 -

Additional Project Information:

Project Number	1990-070-04-1000
Grant Date	5/12/2005
Bond Authorization Date	April 2005
Bonds Authorized	\$ 11,518,233
Bonds Issued	\$ 11,518,233
Original Authorized Cost	\$ 16,397,547
Additional Authorized Cost	\$ - 0 -
Revised Authorized Cost	\$ 16,397,547
% Increase over Original Authorized Cost	0%
% Completion	100%
Original Target Completion Date	September 2008
Revised Target Completion Date	June 2011

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
ATHLETIC AND PHYSICAL EDUCATION FACILITY REFURBISHMENT AT HANOVER PARK AND WHIPPANY PARK HIGH SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Total	Revised Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 9,795,000		\$ 9,795,000	\$ 9,795,444
Local Contribution	500,000		500,000	500,000
Total Revenues and Other Financing Sources	10,295,000		10,295,000	10,295,444
Expenditures:				
Other Purchased Professional Technical Services	1,056,633		1,056,633	1,056,633
Construction Services	8,991,970		8,991,970	9,088,090
General Supplies	80,773		80,773	100,000
Other Objects	41,407		41,407	50,721
Total Expenditures	10,170,783		10,170,783	10,295,444
Excess/(Deficit) of Revenue over Expenditures	124,217		124,217	
Other Financing Sources:				
Cancellation of Prior Year Accounts Payable	1,433		1,433	
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 125,650	\$ - 0 -	\$ 125,650	\$ - 0 -
Additional Project Information:				
Project Number	1990-070-13-3000			
Grant Date	N/A			
Bond Authorization Date	1/1/2014			
Bonds Authorized	\$ 9,795,444			
Bonds Issued	\$ 9,795,000			
Original Authorized Cost	\$ 9,795,444			
Additional Authorized Cost	\$ 500,000			
Revised Authorized Cost	\$ 10,295,444			
		% Increase over Original Authorized Cost		5%
		% Completion		99%
		Original Target Completion Date		October 2015
		Revised Target Completion Date		June 2025

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
WHIPPANY PARK HIGH SCHOOL PAVING PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Total	Revised Authorized Cost
Revenue and Other Financing Sources:				
Transfer from Capital Outlay	\$ 1,000,000	\$ (624,390)	\$ 375,610	\$ 375,610
Total Revenues and Other Financing Sources	1,000,000	(624,390)	375,610	375,610
Expenditures:				
Other Purchased Professional Technical Services	53,856		53,856	53,856
Construction Services	321,754		321,754	321,754
Total Expenditures	375,610		375,610	375,610
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 624,390	\$ (624,390)	\$ - 0 -	\$ - 0 -

Additional Project Information:

Project Number	1990-070-21-2000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,000,000
Returned to Capital Outlay	\$ (624,390)
Revised Authorized Cost	\$ 375,610
% Increase over Original Authorized Cost	0%
% Completion	100%
Original Target Completion Date	June 2024

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
INSTALLATION OF FIRE ALARM SYSTEM - WHIPPANY PARK
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Total	Revised Authorized Cost
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 975,000	\$ (397,043)	\$ 577,957	\$ 577,957
Total Revenues and Other Financing Sources	975,000	(397,043)	577,957	577,957
Expenditures:				
Other Purchased Professional Technical Services	48,241	609	48,850	48,850
Construction Services	461,996	67,111	529,107	529,107
Total Expenditures	510,237	67,720	577,957	577,957
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 464,763	\$ (464,763)	\$ -0-	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 975,000
Returned to Capital Reserve	\$ (397,043)
Revised Authorized Cost	\$ 577,957
% Increase over Original Authorized Cost	0%
% Completion	100%
Original Target Completion Date	January 2024
Revised Target Completion Date	March 2024

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
REHABILITATION, RENOVATIONS, ALTERATIONS AND IMPROVEMENTS TO HANOVER PARK AND WHIPPANY PARK HIGH SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 44,349,000		\$ 44,349,000	\$ 44,349,000
Total Revenue and Other Financing Sources	44,349,000		44,349,000	44,349,000
Expenditures:				
Other Purchased Professional Technical Services	434,510	\$ 1,357,237	1,791,747	4,371,660
Construction Services	37,191	2,894,978	2,932,169	39,242,854
Other Objects	1,500		1,500	734,486
Total Expenditures	473,201	4,252,215	4,725,416	44,349,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 43,875,799	\$ (4,252,215)	\$ 39,623,584	\$ - 0 -

Additional Project Information:

Project Numbers	1990-070-22-1000;
Grant Date	N/A
Bond Authorization Date	12/13/2022
Bonds Authorized	\$ 44,349,835
Bonds Issued	\$ 44,349,000
Original Authorized Cost	\$ 44,349,000
% Completion	11%
Original Target Completion Date	October 2025
Revised Target Completion Date	October 2026

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS - BUDGETARY BASIS
INSTALLATION OF FIRE ALARM SYSTEM - HANOVER PARK
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:			
Transfer from Capital Reserve	\$ 496,009	\$ 496,009	\$ 496,009
Transfer from Capital Outlay	738,991	738,991	738,991
Total Revenues and Other Financing Sources	1,235,000	1,235,000	1,235,000
Expenditures:			
Other Purchased Professional Technical Services	46,800	46,800	119,218
Construction Services			1,105,730
Other Objects			10,052
Total Expenditures	46,800	46,800	1,235,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 1,188,200	\$ 1,188,200	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,235,000
% Completion	4%
Original Target Completion Date	December 2025

PROPRIETARY FUNDS

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Non-Major Funds</u>		<u>Total Enterprise Funds</u>
	<u>Summer Enrichment</u>	<u>Food Service</u>	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 32,831	\$ 77,108	\$ 109,939
Inventories		15,691	15,691
Total Current Assets	<u>32,831</u>	<u>92,799</u>	<u>125,630</u>
Non-Current Assets:			
Capital Assets:			
Depreciable Furniture, Machinery & Equipment		398,188	398,188
Less: Accumulated Depreciation		<u>(396,632)</u>	<u>(396,632)</u>
Total Non-Current Assets		<u>1,556</u>	<u>1,556</u>
Total Assets	<u>32,831</u>	<u>94,355</u>	<u>127,186</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Unearned Revenue	5,400	21,882	27,282
Accounts Payable - Vendors		<u>15,249</u>	<u>15,249</u>
Total Liabilities	<u>5,400</u>	<u>37,131</u>	<u>42,531</u>
<u>NET POSITION:</u>			
Investment in Capital Assets		1,556	1,556
Unrestricted	<u>27,431</u>	<u>55,668</u>	<u>83,099</u>
Total Net Position	<u>\$ 27,431</u>	<u>\$ 57,224</u>	<u>\$ 84,655</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Non-Major Funds</u>		<u>Total Enterprise Funds</u>
	<u>Summer Enrichment</u>	<u>Food Service</u>	
Operating Revenue:			
Local Sources:			
Daily Sales - Non-Reimbursable Programs		\$ 718,153	\$ 718,153
Special Events		742	742
Free and Reduced Lunches Subsidized by District		49,899	49,899
Summer Enrichment Program Fees	\$ 8,400		8,400
Total Operating Revenue	<u>8,400</u>	<u>768,794</u>	<u>777,194</u>
Operating Expenses:			
Cost of Sales- Non-Reimbursable Programs		345,033	345,033
Salaries, Benefits & Payroll Taxes	6,459	299,540	305,999
Supplies and Materials		103,425	103,425
Management Fee		43,843	43,843
Miscellaneous Expense		24,792	24,792
Depreciation Expense		623	623
Total Operating Expenses	<u>6,459</u>	<u>817,256</u>	<u>823,715</u>
Operating Income/(Loss)	<u>1,941</u>	<u>(48,462)</u>	<u>(46,521)</u>
Non-Operating Income:			
Interest Income		4,994	4,994
Total Non-Operating Income		<u>4,994</u>	<u>4,994</u>
Change in Net Position before Transfer	1,941	(43,468)	(41,527)
Transfer - General Fund		<u>56,433</u>	<u>56,433</u>
Change in Net Position	1,941	12,965	14,906
Net Position - Beginning of Year	<u>25,490</u>	<u>44,259</u>	<u>69,749</u>
Net Position - End of Year	<u>\$ 27,431</u>	<u>\$ 57,224</u>	<u>\$ 84,655</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Non-Major Funds		Total Enterprise Funds
	Summer Enrichment	Food Service	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 5,400	\$ 720,238	\$ 725,638
Receipts from District		49,899	49,899
Payments by District for Free and Reduced Lunches		(49,899)	(49,899)
Payments to Food Service Vendor		(794,832)	(794,832)
Payments to Summer Enrichment Employees	(6,459)		(6,459)
Net Cash Used for Operating Activities	(1,059)	(74,594)	(75,653)
Cash Flows from Investing Activities:			
Interest Income		4,994	4,994
Net Cash Provided by Investing Activities		4,994	4,994
Net Cash from Noncapital Financing Activities:			
Transfer - General Fund		56,433	56,433
Net Cash Provided by Noncapital Financing Activities		56,433	56,433
Net Decrease in Cash and Cash Equivalents	(1,059)	(13,167)	(14,226)
Cash and Cash Equivalents, July 1	33,890	90,275	124,165
Cash and Cash Equivalents, June 30	\$ 32,831	\$ 77,108	\$ 109,939
Reconciliation of Operating Income/(Loss) to Net Cash Used for Operating Activities:			
Operating Income/(Loss)	\$ 1,941	\$ (48,462)	\$ (46,521)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Used for Operating Activities:			
Depreciation		623	623
Changes in Assets and Liabilities:			
(Increase)/Decrease in Inventory		(1,367)	(1,367)
Increase/(Decrease) in Unearned Revenue	(3,000)	1,343	(1,657)
Increase/(Decrease) in Accounts Payable		(26,731)	(26,731)
Net Cash Used for Operating Activities	\$ (1,059)	\$ (74,594)	\$ (75,653)

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds				
			Outstanding		Interest Rate	Balance	
			Date	Amount			June 30, 2023
School Refunding Bonds	3/14/13	\$ 18,480,000	10/1/24	\$ 1,935,000	4.00%	\$ 5,720,000	\$ 3,780,000
			10/1/25	1,845,000	4.00%		
School Bonds, Series 2014	1/14/14	9,795,000			2.50%	1,200,000	1,200,000
School Bonds, Series 2023	3/15/23	44,349,000	3/15/25	2,045,000	3.00%		
			3/15/26	2,050,000	3.00%		
			3/15/27	2,150,000	3.00%		
			3/15/28	2,150,000	3.00%		
			3/15/29	2,150,000	3.50%		
			3/15/30	2,150,000	3.50%		
			3/15/31	2,150,000	3.50%		
			3/15/32	2,200,000	3.50%		
			3/15/33	2,250,000	3.50%		
			3/15/34	2,300,000	3.50%		
			3/15/35	2,350,000	3.50%		
			3/15/36	2,400,000	3.50%		
			3/15/37	2,400,000	3.50%		
		3/15/38	2,400,000	3.75%			
		3/15/39	2,400,000	3.75%			
		3/15/40	2,400,000	4.00%			
		3/15/41	2,400,000	4.00%			
		3/15/42	2,400,000	4.00%			
		3/15/43	2,400,000	4.00%			
						44,349,000	43,145,000
						<u>\$ 51,269,000</u>	<u>\$ 46,925,000</u>
						<u>\$ 4,344,000</u>	<u>\$ 3,780,000</u>

HANOVER PARK 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, 2023</u>	<u>Matured</u>	<u>Balance June 30, 2024</u>
Security Equipment	0.00%	\$ 130,000	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ - 0 -</u>
			<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ - 0 -</u>

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOT APPLICABLE

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER SUBSCRIPTION-BASED
INFORMATION TECHNOLOGY ARRANGEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOT APPLICABLE

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,731,533		\$ 2,731,533	\$ 2,731,533	
State Sources:					
Debt Service State Aid Support	256,687		256,687	256,687	
Total Revenues	2,988,220		2,988,220	2,988,220	
EXPENDITURES:					
Regular Debt Service:					
Interest	1,784,220		1,784,220	1,784,220	
Redemption of Principal	4,344,000		4,344,000	4,344,000	
Total Regular Debt Service	6,128,220		6,128,220	6,128,220	
Total Expenditures	6,128,220		6,128,220	6,128,220	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(3,140,000)	- 0 -	(3,140,000)	(3,140,000)	- 0 -
Other Financing Sources:					
Operating Transfers In:					
Capital Projects Fund	3,140,000		3,140,000	3,140,000	
Total Other Financing Sources	3,140,000		3,140,000	3,140,000	
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Fund Balance, July 1	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Fund Balance, June 30	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -

STATISTICAL SECTION
(UNAUDITED)

This part of the District’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 District’s overall financial health.

Contents

	<u>Exhibit</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District'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 District's current levels of outstanding debt and the District'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 District'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 District's operations and resources to help the reader understand how the District's financial information relates to the services the District 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
Net Investment in Capital Assets	\$ 17,320,212	\$ 25,279,530	\$ 28,303,100	\$ 30,898,483	\$ 32,647,525	\$ 34,496,166	\$ 36,250,700	\$ 38,768,530	\$ 42,141,573	\$ 45,763,483
Restricted	18,437,842	13,410,036	12,120,246	11,749,521	12,573,801	15,613,943	16,484,110	17,137,321	17,759,545	17,918,560
Unrestricted (Deficit)	(12,543,062)	(12,829,026)	(13,501,743)	(13,873,891)	(13,768,988)	(13,869,606)	(11,094,280)	(8,869,720)	(7,364,655)	(6,562,113)
Total Governmental Activities Net Position	\$ 23,214,992	\$ 25,860,540	\$ 26,921,603	\$ 28,774,113	\$ 31,452,338	\$ 36,240,503	\$ 41,640,530	\$ 47,036,131	\$ 52,536,463	\$ 57,119,930
Business-Type Activities:										
Investment in Capital Assets	\$ 25,638	\$ 18,389	\$ 11,140	\$ 8,805	\$ 5,766	\$ 4,270	\$ 3,536	\$ 2,802	\$ 2,179	\$ 1,556
Unrestricted	24,316	18,781	656	34,260	28,196	31,801	24,515	45,852	67,570	83,099
Total Business-Type Activities Net Position	\$ 49,954	\$ 37,170	\$ 11,796	\$ 43,065	\$ 33,962	\$ 36,071	\$ 28,051	\$ 48,654	\$ 69,749	\$ 84,655
District-Wide:										
Net Investment in Capital Assets	\$ 17,345,850	\$ 25,297,919	\$ 28,314,240	\$ 30,907,288	\$ 32,653,291	\$ 34,500,436	\$ 36,254,236	\$ 38,771,332	\$ 42,143,752	\$ 45,765,039
Restricted	18,437,842	13,410,036	12,120,246	11,749,521	12,573,801	15,613,943	16,484,110	17,137,321	17,759,545	17,918,560
Unrestricted (Deficit)	(12,518,746)	(12,810,245)	(13,501,087)	(13,839,631)	(13,740,792)	(13,837,805)	(11,069,765)	(8,823,868)	(7,297,085)	(6,479,014)
Total District-Wide Net Position	\$ 23,264,946	\$ 25,897,710	\$ 26,933,399	\$ 28,817,178	\$ 31,486,300	\$ 36,276,574	\$ 41,668,581	\$ 47,084,785	\$ 52,606,212	\$ 57,204,585

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

Fiscal Year Ending June 30,

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 14,466,950	\$ 14,743,726	\$ 17,101,592	\$ 17,177,855	\$ 16,493,189	\$ 15,994,563	\$ 17,055,178	\$ 16,310,775	\$ 16,163,277	\$ 17,193,434
Special Education	2,351,424	2,651,199	2,393,442	2,331,871	2,006,974	1,833,035	1,934,473	2,126,130	2,066,768	1,916,018
Other Special Instruction	80,199	36,577	46,320	47,121	46,492	46,391	46,129	42,614	20,969	73,174
Other Instruction	2,019,398	2,097,579	2,317,701	2,391,972	2,334,672	2,236,493	2,139,343	2,208,843	2,152,041	2,218,566
Support Services:										
Tuition	2,970,421	3,411,037	3,831,583	4,192,126	4,243,694	4,456,900	3,900,814	3,768,077	3,950,507	3,732,861
Student & Instruction Related Services	4,351,320	4,595,140	5,795,009	5,971,107	6,901,532	6,586,606	7,181,361	7,699,734	7,726,444	8,134,622
General Administration Services	1,018,917	1,035,800	1,105,341	1,240,375	1,150,639	1,053,905	1,134,269	1,105,474	1,043,364	1,168,140
School Administration Services	1,700,501	1,691,586	1,806,720	1,864,273	1,782,775	1,783,319	1,810,157	1,747,366	1,692,987	1,761,133
Central Services	706,504	710,431	829,242	1,480,983	825,874	821,460	843,675	684,646	675,046	691,394
Administration Information Technology	153,597	145,989	293,046	193,340	209,375	266,632	287,531	453,627	511,458	610,563
Plant Operations And Maintenance	3,361,032	2,992,791	3,383,351	3,401,157	3,219,826	2,733,500	2,690,572	3,060,945	3,053,945	3,171,536
Pupil Transportation	2,391,889	2,788,823	3,209,866	3,230,215	2,855,927	2,244,244	1,943,389	2,356,632	3,003,754	2,595,898
Interest On Long-Term Liabilities	897,147	826,164	764,227	705,648	629,365	539,869	443,069	343,289	695,454	2,891,939
Capital Outlay				418,597	106,465	106,465	106,465	106,465	106,465	106,465
Transfer of Funds to Charter School										17,195
Unallocated Depreciation	1,053,596	1,066,012	1,033,998	1,033,955	1,031,965	1,051,513	1,053,499	1,065,608	1,071,651	1,071,651
Total Governmental Activities Expenses	37,522,895	38,792,854	43,911,438	45,680,595	43,838,764	41,754,895	42,569,924	43,080,225	43,934,130	47,354,589
Business-Type activities:										
Food Service	565,789	548,625	551,217	466,636	426,115	307,893	42,077	594,480	733,823	817,256
Summer Enrichment	5,155	1,920	1,615	4,521	14,151	9,070	200	6,014	5,011	6,459
Total Business-Type Activities Expense	570,944	550,545	552,832	471,157	440,266	316,963	42,277	600,494	738,834	823,715
Total District-Wide Expenses	38,093,839	39,343,399	44,464,270	46,151,752	44,279,030	42,071,858	42,612,201	43,680,719	44,672,964	48,178,304

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues:										
Governmental Activities:										
Operating Grants and Contributions	\$ 6,486,666	\$ 7,693,517	\$ 10,190,340	\$ 11,531,282	\$ 9,480,989	\$ 8,364,241	\$ 9,280,610	\$ 8,886,751	\$ 7,608,806	\$ 7,456,099
Capital Grants and Contributions	241,500	35,606								
Charges for Services				16,650	18,500	340,102	460,290	602,836		575,495
Total Governmental Activities	6,728,166	7,729,123	10,190,340	11,531,282	9,497,639	8,382,741	9,620,712	9,347,041	8,211,642	8,031,594
Business-Type Activities:										
Charges for Services:										
Food Service	525,618	516,706	425,180	452,660	418,685	287,151		602,962	745,062	768,794
Summer Enrichment	5,155	2,301	1,890	14,650	12,451	16,900	7,800		12,000	8,400
Total Business Type Activities	530,773	519,007	427,070	467,310	431,136	304,051	7,800	602,962	757,062	777,194
Total District-Wide Program Revenues	7,258,939	8,248,130	10,617,410	11,998,592	9,928,775	8,686,792	9,628,512	9,950,003	8,968,704	8,808,788
Net (Expense)/Revenue:										
Governmental Activities	(30,794,729)	(31,063,731)	(33,721,098)	(34,149,313)	(34,341,125)	(33,372,154)	(32,949,212)	(33,733,184)	(35,722,488)	(39,322,995)
Business-Type Activities	(40,171)	(31,538)	(125,762)	(3,847)	(9,130)	(12,912)	(34,477)	2,468	18,228	(46,521)
Total District-Wide Net (Expense)/Revenue	(30,834,900)	(31,095,269)	(33,846,860)	(34,153,160)	(34,350,255)	(33,385,066)	(32,983,689)	(33,730,716)	(35,704,260)	(39,369,516)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	27,834,200	28,946,490	30,390,920	31,276,813	32,046,873	32,936,210	33,594,935	34,266,834	34,952,171	35,651,214
Taxes Levied for Debt Service	3,271,744	2,913,403	3,131,407	3,138,986	3,181,550	3,232,937	3,241,312	3,226,817	3,164,098	2,731,533
Unrestricted Grants and Contributions	403,516	904,287	776,577	841,490	888,668	919,267	1,117,255	1,312,281	957,192	1,195,676
Investment Earnings	21,463	27,611	7,838	9,866	5,859	5,268	1,495	8,328	749,303	2,585,158
Miscellaneous Income Transfers	459,100	947,138	558,566	787,374	896,400	670,890	419,260	332,623	1,400,465	1,799,314
		(83,147)	(83,147)	(52,706)	(26,451)	(15,000)	(26,451)	(18,098)	(409)	(56,433)

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Other Item - SDA Grants Cancelled		\$ (29,650)								
Other Item -										
Prior Year Accounts Payable Cancelled							\$ 1,433			
Total Governmental Activities	\$ 31,990,023	33,709,279	\$ 34,782,161	\$ 36,001,823	\$ 37,019,350	\$ 37,749,572	\$ 38,349,239	\$ 39,128,785	\$ 41,222,820	\$ 43,906,462
Business-Type Activities:										
Investment Earnings	130	133	92	51	27	21	6	37	2,458	4,994
Transfers			83,147	17,619	15,000	26,451	18,098	409	56,433	
Other Item - Board Contribution				3,256						
Other Item - Food Service Management Contractor Contribution	22,595	18,621	17,149	14,190						
Total Business-Type Activities	22,725	18,754	100,388	35,116	27	15,021	26,457	18,135	2,867	61,427
Total District-Wide General Revenues and Other Changes in Net Position	32,012,748	33,728,033	34,882,549	36,036,939	37,019,377	37,764,593	38,375,696	39,146,920	41,225,687	43,967,889
Change in Net Position:										
Governmental Activities	1,195,294	2,645,548	1,061,063	1,852,510	2,678,225	4,377,418	5,400,027	5,395,601	5,500,332	4,583,467
Business-Type Activities	(17,446)	(12,784)	(25,374)	31,269	(9,103)	2,109	(8,020)	20,603	21,095	14,906
Total District-Wide Change in Net Position	\$ 1,177,848	\$ 2,632,764	\$ 1,035,689	\$ 1,883,779	\$ 2,669,122	\$ 4,379,527	\$ 5,392,007	\$ 5,416,204	\$ 5,521,427	\$ 4,598,373

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Restricted	\$ 4,166,304	\$ 5,172,166	\$ 4,182,462	\$ 4,652,229	\$ 5,791,362	\$ 11,142,954	\$ 9,517,408	\$ 10,533,140	\$ 11,813,967	\$ 15,115,975
Assigned	679,605	429,470	810,542	786,067	947,809	660,303	947,029	1,316,146	2,073,282	1,158,279
Unassigned	585,191	680,794	800,903	843,330	908,637	(1,566,614)	1,826,514	2,128,551	1,074,589	1,262,142
Total General Fund	\$ 5,431,100	\$ 6,282,430	\$ 5,793,907	\$ 6,281,626	\$ 7,647,808	\$ 10,236,643	\$ 12,290,951	\$ 13,977,837	\$ 14,961,838	\$ 17,536,396
Other Governmental Funds:										
Restricted	\$ 14,271,538	\$ 8,237,870	\$ 7,937,784	\$ 7,097,292	\$ 6,725,227	\$ 6,941,830	\$ 6,966,702	\$ 6,604,181	\$ 49,821,377	\$ 42,426,169
Committed	141,946				57,212		964,994	624,390	1,089,153	1,188,200
Assigned										1,205,902
Total Other Governmental Funds	\$ 14,413,484	\$ 8,237,870	\$ 7,937,784	\$ 7,097,292	\$ 6,782,439	\$ 6,941,830	\$ 7,931,696	\$ 7,228,571	\$ 50,910,530	\$ 44,820,271
Total All Governmental Funds	\$ 19,844,584	\$ 14,520,300	\$ 13,731,691	\$ 13,378,918	\$ 14,430,247	\$ 17,178,473	\$ 20,222,647	\$ 21,206,408	\$ 65,872,368	\$ 62,356,667

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK 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,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Tax Levy	\$31,105,944	\$31,859,893	\$33,522,327	\$34,415,799	\$35,228,423	\$36,169,147	\$36,836,247	\$37,493,651	\$38,116,269	\$38,382,747
Tuition from Individuals					16,650	18,500		12,857		21,833
Interest Earnings	3,561	5,029	7,838	9,866	5,859	5,268	1,042	3,506	60,437	103,273
Miscellaneous	486,644	973,628	564,039	794,720	904,300	672,974	789,542	799,234	2,692,889	4,837,275
State Sources	3,964,510	4,661,622	4,933,835	5,545,498	6,525,821	6,959,796	8,083,708	9,978,242	10,113,111	10,815,118
Federal Sources	328,658	331,470	319,877	356,744	361,191	240,386	458,684	893,193	995,442	1,041,877
Total Revenue	35,889,317	37,831,642	39,347,916	41,122,627	43,042,244	44,066,071	46,169,223	49,180,683	51,978,148	55,202,123
Expenditures:										
Instruction:										
Regular	9,260,553	8,914,967	9,218,032	9,248,537	9,352,857	9,385,209	10,236,532	10,471,879	10,956,663	11,872,532
Special Education	1,453,440	1,593,049	1,273,597	1,229,822	1,124,870	1,062,100	1,213,926	1,518,342	1,467,231	1,266,125
Other Special Instruction	72,067	22,166	24,586	24,741	25,904	27,343	26,681	26,575	13,795	48,707
Other Instruction	1,416,933	1,396,951	1,413,266	1,412,380	1,448,442	1,431,509	1,330,218	1,522,050	1,537,941	1,583,421
Support Services:										
Tuition	2,970,421	3,411,037	3,831,583	4,192,126	4,243,694	4,456,900	3,900,814	3,768,077	3,950,507	3,732,861
Student/Instruction-Related Services	2,862,123	2,915,661	3,287,571	3,663,619	4,186,521	3,998,436	4,462,485	5,307,639	5,469,587	5,762,173
General Administration Services	752,552	732,412	722,773	795,773	763,885	736,010	793,509	810,473	782,611	881,296
School Administration Services	1,063,928	1,022,066	974,136	1,005,853	1,008,106	1,043,201	1,056,203	1,109,887	1,126,826	1,205,086
Central Services	407,446	394,671	400,575	415,391	412,904	426,617	435,106	444,290	463,524	465,186
Administrative Information Technology	153,597	145,989	286,686	191,046	211,630	263,012	286,791	348,274	386,364	482,333
Plant Operations And Maintenance	2,257,080	2,192,206	2,327,849	2,368,685	2,328,650	2,199,899	2,233,499	2,682,667	2,884,587	3,110,489
Pupil Transportation	1,583,878	1,782,101	1,869,950	1,875,919	1,871,380	1,536,576	1,351,849	1,879,445	2,583,282	2,190,315
Unallocated Benefits	7,615,467	8,193,403	8,939,068	9,763,858	10,884,666	11,009,337	11,845,289	13,587,145	14,055,760	14,810,855

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

Expenditures: (Cont'd)	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Capital Outlay	\$ 1,020,807	\$ 7,083,247	\$ 2,147,731	\$ 1,872,244	\$ 718,856	\$ 670,043	\$ 455,529	\$ 1,228,281	\$ 2,695,751	\$ 5,104,597
Transfer of Funds to Charter School										17,195
Debt Service:										
Principal	2,320,000	2,425,000	2,500,000	2,585,000	708,550	622,400	526,600	428,800	326,350	1,784,220
Interest and Other Charges	970,119	901,350	835,975	777,700	2,700,000	2,845,000	2,945,000	3,045,000	3,090,000	4,344,000
Total Expenditures	36,180,411	43,126,276	40,053,378	41,422,694	41,990,915	41,713,592	43,100,031	48,178,824	51,790,779	58,661,391
Excess/(Deficiency) of Revenues										
Over/(Under) Expenditures	(291,094)	(5,294,634)	(705,462)	(300,067)	1,051,329	2,352,479	3,069,192	1,001,859	187,369	(3,459,268)
Other Financing Sources/(Uses):										
Bond Proceeds									44,349,000	
Financed Purchases (Non-budgeted)									130,000	
SDA Grants Cancelled		(29,650)								
Prior Year Accounts Payable Cancelled							1,433			
Transfers In	199,624	94,766	976,854	48,975	260,426	45,765				
Transfers Out	(199,624)	(94,766)	(1,060,001)	(101,681)	(260,426)	(60,765)	(26,451)	(18,098)	(409)	(56,433)
Total Other Financing Sources/(Uses)		(29,650)	(83,147)	(52,706)		(15,000)	(25,018)	(18,098)	44,478,591	(56,433)
Net Change In Fund Balances	\$ (291,094)	\$ (5,324,284)	\$ (788,609)	\$ (352,773)	\$ 1,051,329	\$ 2,337,479	\$ 3,044,174	\$ 983,761	\$ 44,665,960	\$ (3,515,701)
Debt Service As A Percentage Of										
Noncapital Expenditures	9.36%	9.23%	8.80%	8.50%	8.26%	8.45%	8.14%	7.40%	6.96%	11.44%

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK 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,	Interest on Investments	Rentals - Use of Facilities	Athletic Fees	Tuition	Other	Total
2015	\$ 26,090	\$ 4,875	\$ 26,885	\$ 53,761	\$ 351,050	\$ 462,661
2016	27,611	3,435	8,801	41,226	363,550	444,623
2017	60,292	11,467	16,585		465,206	553,550
2018	28,938	5,713	8,977	1,850	727,587	773,065
2019	36,401	5,115	16,723	16,650	813,479	888,368
2020	24,912	619	10,095	18,500	620,888	675,014
2021	73,670				343,767	417,437
2022	98,666	6,407	2,916	12,857	228,784	349,630
2023	876,031	1,362	11,194		577,473	1,466,060
2024	975,179	29,460	4,454	21,833	900,558	1,931,484

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

EAST HANOVER TOWNSHIP

Year Ended Dec. 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2014	\$ 20,748,400	\$ 1,424,081,700	\$ 884,469,197	\$ 202,322,900	\$ 882,190,797	\$ 202,322,900	\$ 2,531,622,197	\$ 2,045,837	\$ 2,533,668,034	\$ 117,817,300	\$.48	\$ 3,558,858,057	
2015	21,366,100	1,426,212,000	882,190,797	202,322,900	880,470,597	202,322,900	2,532,091,797	1,974,647	2,534,066,444	117,909,300	.47	3,604,117,281	
2016	20,188,000	1,434,708,400	880,470,597	202,072,900	879,706,097	200,693,600	2,537,760,797	1,974,647	2,539,735,444	117,250,700	.48	3,401,886,141	
2017	19,877,800	1,440,661,700	879,706,097	200,693,600	875,268,277	199,799,700	2,541,092,297	1,974,647	2,543,066,944	117,639,400	.45	3,315,434,416	
2018	20,196,800	1,444,642,100	875,268,277	199,799,700	872,269,477	195,927,500	2,540,059,877	7,669	2,540,067,546	118,090,800	.48	3,328,486,435	
2019	20,128,100	1,448,660,200	872,269,477	195,927,500	867,249,677	192,928,500	2,537,138,377	7,669	2,537,146,046	117,049,100	.50	3,380,933,325	
2020	20,798,600	1,452,283,400	867,249,677	192,928,500	820,642,400	192,928,500	2,533,260,177	7,669	2,533,267,846	118,597,700	.47	3,281,161,384	
2021	45,596,600	1,456,093,400	820,642,400	192,928,500	822,001,700	204,943,500	2,515,260,900	7,669	2,515,268,569	118,314,800	.47	3,418,222,673	
2022	40,920,100	1,458,839,000	768,147,570	204,943,500	768,147,570	204,943,500	2,526,704,300	7,669	2,526,711,969	118,539,900	.43	3,445,279,655	
2023	65,101,000	1,458,905,900		204,943,500		204,943,500	2,496,733,470	7,669	2,496,741,139	119,227,700	.41	3,492,379,566	

FLORHAM PARK BOROUGH

Year Ended Dec. 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2014	\$ 98,799,800	\$ 1,985,991,000	\$ 748,300	\$ 119,800	\$ 882,320,700	\$ 96,354,600	\$ 168,609,300	\$ 3,232,943,500	\$ 3,854,835	\$ 3,236,798,335	\$ 446,779,800	\$.24	\$ 2,839,810,371
2015	95,113,200	2,003,842,000	748,300	119,800	883,268,500	94,644,600	175,484,100	3,253,220,500	4,080,033	3,257,300,533	447,962,000	.24	3,021,413,939
2016	98,191,900	2,014,682,600	748,300	119,800	903,530,300	92,180,200	175,484,100	3,284,937,200	4,079,867	3,289,017,067	446,298,000	.25	3,126,935,377
2017	96,791,400	2,035,336,200	748,300	119,800	894,116,700	88,344,300	193,577,400	3,309,034,100	4,107,211	3,313,141,311	401,517,100	.27	3,415,130,920
2018	64,953,700	2,050,951,700	748,300	119,800	929,394,900	88,344,300	245,944,100	3,380,456,800	3,974,458	3,384,431,258	413,888,900	.28	3,503,649,795
2019	67,831,000	2,060,266,800	748,300	119,800	972,198,500	88,344,300	248,969,900	3,438,478,600	4,002,145	3,442,480,745	413,893,900	.28	3,586,933,719
2020	82,509,400	2,070,552,600	748,300	119,800	985,194,200	85,544,300	272,985,400	3,497,654,000	4,089,215	3,501,743,215	411,064,300	.31	3,622,796,572
2021	99,798,400	2,148,372,800	748,300	10,800	971,753,600	85,544,300	279,709,700	3,585,937,900	4,168,259	3,590,106,159	418,186,200	.31	3,704,718,662
2022	81,616,800	2,221,513,000	748,300	10,800	968,786,300	85,544,300	279,709,700	3,637,929,200	4,102,053	3,642,031,253	403,919,300	.30	3,796,565,280
2023	37,984,800	2,393,485,388	748,300	10,800	952,258,300	85,544,300	279,709,700	3,749,741,588	4,191,032	3,753,932,620	405,210,900	.29	3,988,653,048

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 of assessed value.

Source: Municipal Tax Assessors.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

HANOVER TOWNSHIP

Year Ended Dec. 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)	
													\$	\$
2014	\$ 80,697,600	\$ 2,080,627,400	\$ 433,000	\$ 5,900	\$ 996,669,100	\$ 433,662,200	\$ 57,634,600	\$ 3,649,729,800		\$ 3,649,729,800	\$ 375,167,100	.31	\$ 3,701,001,450	
2015	73,645,700	2,101,021,300	433,000	5,900	1,016,994,300	429,302,700	75,960,100	3,697,363,000		3,697,363,000	375,229,600	.33	3,946,715,598	
2016	75,035,800	2,106,119,300	433,000	5,900	983,192,400	425,684,100	84,700,100	3,675,170,600		3,675,170,600	372,465,700	.36	4,093,380,765	
2017	74,177,300	2,124,601,600	441,800	5,900	1,034,213,600	422,412,500	84,734,600	3,740,587,300		3,740,587,300	372,788,000	.37	4,242,471,702	
2018	58,906,700	2,131,024,700	441,800	5,900	1,081,238,100	410,507,800	91,543,400	3,773,668,400		3,773,668,400	373,380,000	.36	4,338,309,152	
2019	56,232,200	2,143,494,800	441,800	5,900	1,073,553,300	405,775,400	91,510,400	3,771,013,800		3,771,013,800	374,390,800	.37	4,225,423,719	
2020	60,419,100	2,158,648,600	441,800	5,900	1,169,370,000	387,703,900	91,510,400	3,868,099,700		3,868,099,700	374,996,700	.36	4,156,836,963	
2021	58,453,000	2,165,221,600	441,800	5,900	1,173,554,700	389,012,500	91,510,400	3,878,199,900		3,878,199,900	373,708,100	.38	4,252,138,066	
2022	71,670,700	2,168,654,800	441,800	5,900	1,123,754,800	387,594,400	91,510,400	3,845,632,800		3,845,632,800	373,204,300	.42	4,660,569,378	
2023	68,902,700	2,173,704,200	441,800	5,900	1,132,499,900	392,906,600	91,510,400	3,859,971,500		3,859,971,500	371,493,300	.44	5,136,455,374	

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 of assessed value.

Source: Municipal Tax Assessors.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(Rate per \$100 of Assessed Value)

EAST HANOVER TOWNSHIP

Year Ended December 31,	Hanover Park Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			East Hanover School	East Hanover Township	Morris County	
	Basic Rate ^a	General Obligation Debt ^b	Total Direct				
2014	\$ 0.43	\$ 0.05	\$ 0.48	\$ 0.66	\$ 0.61	\$ 0.35	\$ 2.09
2015	0.43	0.04	0.47	0.67	0.55	0.36	2.05
2016	0.44	0.04	0.48	0.66	0.63	0.34	2.11
2017	0.41	0.04	0.45	0.77	0.65	0.34	2.20
2018	0.44	0.04	0.48	0.76	0.69	0.34	2.27
2019	0.46	0.04	0.50	1.29	0.71	0.35	2.85
2020	0.43	0.04	0.47	0.75	0.83	0.34	2.39
2021	0.43	0.04	0.47	0.75	0.70	0.35	2.27
2022	0.39	0.04	0.43	0.79	0.77	0.35	2.35
2023	0.38	0.03	0.41	0.814	0.80	0.36	2.38

FLORHAM PARK BOROUGH

Year Ended December 31,	Hanover Park Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Florham Park School	Florham Park Borough	Morris County	
	Basic Rate ^a	General Obligation Debt ^b	Total Direct				
2014	\$ 0.21	\$ 0.03	\$ 0.24	\$ 0.52	\$ 0.40	\$ 0.22	\$ 1.38
2015	0.22	0.02	0.24	0.52	0.37	0.23	1.36
2016	0.23	0.02	0.25	0.51	0.41	0.24	1.41
2017	0.25	0.02	0.27	0.54	0.41	0.25	1.47
2018	0.25	0.03	0.28	0.55	0.42	0.27	1.51
2019	0.25	0.03	0.28	0.84	0.42	0.27	1.82
2020	0.28	0.03	0.31	0.56	0.43	0.27	1.57
2021	0.28	0.03	0.31	0.56	0.41	0.27	1.54
2022	0.28	0.02	0.30	0.57	0.45	0.27	1.58
2023	0.27	0.02	0.29	0.58	0.45	0.27	1.59

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

HANOVER TOWNSHIP

Year Ended December 31,	Hanover Park Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Overlapping Rates			
	Basic Rate ^a	General Obligation Debt ^b	Total Direct	Hanover Township School	Hanover Township	Morris County	
2014	\$ 0.28	\$ 0.03	\$ 0.31	\$ 0.62	\$ 0.44	\$ 0.26	\$ 1.63
2015	0.30	0.03	0.33	0.60	0.43	0.27	1.63
2016	0.33	0.03	0.36	0.57	0.44	0.28	1.65
2017	0.34	0.03	0.37	0.66	0.45	0.28	1.76
2018	0.33	0.03	0.36	0.69	0.45	0.29	1.80
2019	0.34	0.03	0.37	1.07	0.46	0.29	2.19
2020	0.33	0.03	0.36	0.71	0.47	0.28	1.81
2021	0.35	0.03	0.38	0.69	0.46	0.27	1.80
2022	0.39	0.03	0.42	0.65	0.49	0.31	1.86
2023	0.41	0.03	0.44	0.63	0.50	0.34	1.90

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.

Source: Municipal Tax Collectors and School Business Administrator.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

EAST HANOVER TOWNSHIP

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Novartis		\$ 347,070,670	13.90%	Novartis	\$ 415,030,700	16.38%
Mondelez Global, LLC		36,967,100	1.48%	Mondelez Global, LLC	36,987,600	1.46%
Hanover Owner LLC		28,724,000	1.15%	Mondelez Global, LLC	25,000,000	0.99%
Givaudan Fragrances Corporation		21,400,000	0.86%	New Hanover LLC	24,917,000	0.98%
New Hanover LLC		20,500,000	0.82%	Givaudan Fragrances Corporation	21,400,000	0.84%
Castle Ridge Plaza		18,500,000	0.74%	EH Route 10 Realty Company	21,400,000	0.84%
Givaudan Flavors Corporation		16,000,000	0.64%	Givaudan Flavors Corporation	19,872,200	0.78%
Costco Wholesale Corporation		13,920,000	0.56%	Castle Ridge Plaza	18,500,000	0.73%
Eric Richard D.R. Company LLC		13,880,000	0.56%	Paradigm East Hanover LLC	17,024,777	0.67%
E Han LLC		13,205,300	0.53%	Eric Richard D.R. Company LLC	15,500,000	0.61%
Total		\$ 530,167,070	21.23%		\$ 615,632,277	24.30%

Source: Municipal Tax Assessor.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

FLORHAM PARK BOROUGH

		2024		2015	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Sun Valley Plaza II, LLC	\$ 111,239,800	2.96%	KBSII 300-600 Campus Drive, LLC	\$ 188,360,700	5.82%
KBSII 300-600 Campus Drive, LLC	93,517,700	2.49%	Sun Valley Plaza II, LLC	73,211,300	2.26%
LCS-Florham Park Venture Property	77,770,500	2.07%	BASF Corporation	68,000,000	2.10%
KCI FP Owner LLC % Ave Mgmt.	63,500,000	1.69%	Avalonbay Communities, Inc.	63,369,900	1.96%
Avalonbay Communities, Inc	63,369,900	1.69%	Rock GW LLC	60,778,500	1.88%
KBSII 100-200 Campus Drive, LLC	61,742,300	1.64%	Wells Reit LLC	43,817,300	1.35%
Welltower, Inc.	52,511,000	1.40%	MOMA Park LLC	33,900,000	1.05%
BASF Corporation	50,000,000	1.33%	HPT IHG Two	33,000,000	1.02%
LIPT 140 Park Avenue, LLC	35,014,200	0.93%	Advance at Park Place LLC	30,991,300	0.96%
KBII 190-200 Campus Drive LLC	34,052,800	0.91%	Riverbend	30,000,000	0.93%
Total	\$ 642,718,200	17.12%	Total	\$ 625,429,000	19.32%

Source: Municipal Tax Assessor.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

HANOVER TOWNSHIP

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Bayer Healthcare, LLC		\$ 155,670,300	4.03%	67 Whippany Investors	\$ 64,962,500	1.78%
US Real Estate Holdings		102,459,700	2.65%	BREOF BNK3A Whippany	56,000,000	1.53%
TR Sterling Hanover, LLC		57,261,000	1.48%	Sterling Apartments LLC	55,101,100	1.51%
SFP ML I LLC (Metlife)		54,465,900	1.41%	Interstate Realty Company	20,290,300	0.56%
4 Apollo Drive, LLC		42,954,600	1.11%	Kraft Foods Global, Inc.	43,400,000	1.19%
AVR Hanover Hotel, LLC		37,260,100	0.97%	LSAC Morris County LP	42,954,600	1.18%
Interstate Realty Company, LLC		35,000,000	0.91%	Ravine Development Company LLC	38,945,800	1.07%
Novartis Pharmaceuticals Corporation		30,000,000	0.78%	Fan Pier Land Company	38,158,600	1.05%
Agree Eastern, LLC		29,433,400	0.76%	HEI Hanover, LLC	35,950,000	0.99%
Woodmont Realty Group		27,065,500	0.70%	River Park Business Center LLC	34,590,400	0.95%
Total		\$ 571,570,500	14.81%	Total	\$ 430,353,300	11.79%

Source: Municipal Tax Assessor.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 31,105,944	\$ 31,105,944	100.00%	\$ - 0 -
2016	31,859,893	31,859,893	100.00%	- 0 -
2017	33,522,327	32,163,424	95.95%	1,358,903
2018	34,415,799	34,415,799	100.00%	- 0 -
2019	35,228,423	35,228,423	100.00%	- 0 -
2020	36,169,147	36,140,864	99.92%	28,283
2021	36,836,247	36,836,247	100.00%	- 0 -
2022	37,493,651	37,493,651	100.00%	- 0 -
2023	38,116,269	38,115,959	100.00%	310
2024	38,382,747	38,382,747	100.00%	- 0 -

^a School taxes are collected by the Municipal Tax Collectors. 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.

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

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of District Personal Income ^a	District Per Capita ^a
	General Obligation Bonds	Financed Purchases			
2015	\$ 29,055,000		\$ 29,055,000	0.88%	\$ 780.46
2016	26,630,000		26,630,000	0.78%	711.54
2017	24,130,000		24,130,000	0.69%	646.45
2018	21,545,000		21,545,000	0.60%	581.03
2019	18,845,000		18,845,000	0.52%	513.04
2020	16,000,000		16,000,000	0.42%	434.02
2021	13,055,000		13,055,000	0.31%	335.75
2022	10,010,000		10,010,000	0.23%	256.07
2023	51,269,000	\$ 130,000	51,399,000	1.15%	1,288.94
2024	46,925,000		46,925,000	1.05%	1,176.74

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

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK 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 Net Taxable Value ^a of Property	District Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	\$ 29,055,000	\$ - 0 -	\$ 29,055,000	0.93%	\$ 780.46
2016	26,630,000	- 0 -	26,630,000	0.84%	711.54
2017	24,130,000	- 0 -	24,130,000	0.76%	646.45
2018	21,545,000	- 0 -	21,545,000	0.67%	581.03
2019	18,845,000	- 0 -	18,845,000	0.58%	513.04
2020	16,000,000	- 0 -	16,000,000	0.49%	434.02
2021	13,055,000	- 0 -	13,055,000	0.40%	335.75
2022	10,010,000	- 0 -	10,010,000	0.30%	256.07
2023	51,269,000	- 0 -	51,269,000	1.54%	1,285.68
2024	46,925,000	- 0 -	46,925,000	1.39%	3,203.51

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 Population data can be found on Exhibit J-14. This ratio is calculated using valuation data for the prior calendar year.

Source: Hanover Park Regional High School District Financial Reports.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 UNAUDITED
AS OF DECEMBER 31, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
East Hanover Township	\$ 40,356,662	100.00%	\$ 40,356,662
Florham Park Borough	4,565,217	100.00%	4,565,217
Hanover Township	- 0 -	100.00%	- 0 -
Morris County General Obligation Debt (All Constituent Municipalities)	326,425,422	9.31%	<u>30,384,186</u>
Subtotal, Overlapping Debt			75,306,065
Hanover Park Regional School District Direct Debt			<u>49,329,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 124,635,065</u></u>

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 units that is borne by the residents and businesses of the municipalities that comprise the Hanover Park Regional High School District. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping 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 Morris County Board of Taxation; debt outstanding data provided by each governmental unit.

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	\$ 304,098,046	\$ 306,920,090	\$ 315,071,809	\$ 320,662,297	\$ 326,012,344	\$ 318,255,511	\$ 330,688,683	\$ 338,060,070	\$ 354,256,972	\$ 378,373,022
Total Net Debt Applicable to Limit	29,055,000	26,630,000	24,130,000	21,545,000	18,845,000	16,000,000	13,055,000	10,010,000	51,269,000	46,925,000
Legal Debt Margin	\$ 275,043,046	\$ 280,290,090	\$ 290,941,809	\$ 299,117,297	\$ 307,167,344	\$ 302,255,511	\$ 317,633,683	\$ 328,050,070	\$ 302,987,972	\$ 331,448,022
Total Net Debt Applicable to the Limit as a % of the Debt Limit	9.55%	8.68%	7.66%	6.72%	5.78%	5.03%	3.95%	2.96%	14.47%	12.40%

Legal Debt Margin Calculation for Fiscal Year 2024

	East Hanover Township		Florham Park Borough		Hanover Township		Total
Equalized Valuation Basis							
2021	\$ 3,414,226,822	\$ 3,723,715,369	\$ 4,646,220,079	\$ 11,784,162,270			
2022	3,518,596,714	3,851,290,705	5,061,375,099	12,431,262,518			
2023	3,928,770,212	4,523,040,861	5,170,066,301	13,621,877,374			
	<u>\$10,861,593,748</u>	<u>\$12,098,046,935</u>	<u>\$ 14,877,661,479</u>	<u>\$ 37,837,302,162</u>			

Average Equalized Valuation of Taxable Property

\$ 12,612,434,054

Debt Limit (3% of Average Equalization Value) ^a
 Net Bonded School Debt - June 30, 2024

\$ 378,373,022
46,925,000

Legal Debt Margin

\$ 331,448,022

^a Limit set by NJSA 18A:24-19 for a regional school 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.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

EAST HANOVER TOWNSHIP

Year	Township Population ^a	Morris County Per Capita Personal Income ^b	Township Personal Income ^c	Township Unemployment Rate ^d
2015	11,150	\$ 88,298	\$ 984,522,700	4.10%
2016	11,124	91,252	1,015,087,248	4.00%
2017	11,104	93,544	1,038,712,576	3.60%
2018	11,028	97,244	1,072,406,832	3.30%
2019	10,913	99,140	1,081,914,820	2.70%
2020	10,868	102,227	1,111,003,036	9.20%
2021	11,094	107,767	1,195,567,098	5.20%
2022	11,120	111,597	1,240,958,640	3.10%
2023	11,137	111,597 *	1,242,855,789	3.60%
2024	11,137 **	111,597 *	1,242,855,789 ***	N/A

FLORHAM PARK BOROUGH

Year	Borough Population ^a	Morris County Per Capita Personal Income ^b	Borough Personal Income ^c	Borough Unemployment Rate ^d
2015	11,815	\$ 88,298	\$ 1,043,240,870	4.00%
2016	11,755	91,252	1,072,667,260	3.70%
2017	11,734	93,544	1,097,645,296	3.50%
2018	11,657	97,244	1,133,573,308	3.10%
2019	11,575	99,140	1,147,545,500	2.70%
2020	11,824	102,227	1,208,732,048	7.30%
2021	13,149	107,767	1,417,028,283	5.00%
2022	13,325	111,597	1,487,030,025	3.10%
2023	14,092	111,597 *	1,572,624,924	3.90%
2024	14,092 **	111,597 *	1,572,624,924 ***	N/A

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

HANOVER TOWNSHIP

Year	Township Population ^a	Morris County Per Capita Personal Income ^b	Township Personal Income ^c	Township Unemployment Rate ^d
2015	14,263	\$ 88,298	\$ 1,259,394,374	4.00%
2016	14,547	91,252	1,327,442,844	3.50%
2017	14,489	93,544	1,355,359,016	3.40%
2018	14,396	97,244	1,399,924,624	3.00%
2019	14,244	99,140	1,412,150,160	2.80%
2020	14,173	102,227	1,448,863,271	7.70%
2021	14,640	107,767	1,577,708,880	4.90%
2022	14,646	111,597	1,634,449,662	3.00%
2023	14,648	111,597 *	1,634,672,856	3.40%
2024	14,648 **	111,597 *	1,634,672,856 ***	N/A

* - Latest Morris County per capita personal income available (2022) was used for calculation purposes.

** - Latest population data available (2023) was used for calculation purposes.

***- Latest population data (2023) and latest per capita personal income (2022) was used for calculations

N/A - Information is not available.

Sources:

- ^a Population information provided by the NJ Department 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 Personal income has been estimated based upon the municipal population and per capita personal income presented.
- ^d Unemployment data provided by the NJ Department of Labor and Workforce Development.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF MORRIS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2024		2015		Percentage of Total Employment	
	Employer	Employees	Percentage of Total Employment	Employer		Employees
Atlantic Health Systems		10,552	4.00%	U.S. Army Armament Research and Development	5841	2.33%
Novartis Corporation		6,500	2.46%	Novartis Corporation	5035	2.01%
U.S Army Armament Research and Development		6,000	2.27%	Atlantic Health System	4463	1.78%
Barclays		3,374	1.28%	Automatic Data Processing	2060	0.82%
Bayer Healthcare, LLC		2,713	1.03%	Bayer Healthcare, LLC	1900	0.76%
Automatic Data Processing		2,400	0.91%	County of Morris	1674	0.67%
Accenture		2,344	0.89%	Wyndham Worldwide Corporation	1653	0.66%
Pricewaterhouse Coopers		2,095	0.79%	St. Claire's	1642	0.65%
Cigna		1,686	0.64%	BASF Corporation	1500	0.60%
Deloitte & Touche		1,646	0.62%	Accenture	1480	0.59%
Total		<u>39,310</u>	<u>14.90%</u>		<u>27,248</u>	<u>10.86%</u>
Total County Labor Force		<u>263,900</u>			<u>250,919</u>	

Source: Morris County Treasurer's Office and employment data provided by the NJ Department of Labor and Workforce Development.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction:										
Regular	118.4	116.1	116.2	116.4	113.2	113.2	111.2	109.3	110.6	110.6
Special Education	25.1	27.5	16.7	16.6	15.6	15.6	12.6	18.2	17.2	17.2
Basic Skills/Bilingual	1.2	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.2	0.4
Co-Curricular Athletics	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support Services:										
Student & Instruction										
Related Services	33.8	31.8	42.0	51.4	50.5	54.9	54.1	53.6	60.6	60.6
School Administration	9.7	9.7	9.3	9.3	8.9	8.9	9.3	9.3	9.3	9.3
General/Business										
Administration	10.5	10.1	11.5	12.0	10.5	10.5	11.5	12.5	12.5	12.5
Plant Operations										
and Maintenance	24.0	21.0	21.0	22.6	23.6	23.6	18.6	11.6	19.1	19.1
Pupil Transportation	40.0	41.0	42.0	43.4	45.4	45.4	40.4	35.4	36.4	36.4
Total	<u>264.7</u>	<u>259.6</u>	<u>261.1</u>	<u>274.1</u>	<u>270.1</u>	<u>274.5</u>	<u>260.1</u>	<u>252.3</u>	<u>267.9</u>	<u>268.1</u>

Source: Hanover Park Regional High School District Personnel Records.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change Average Daily Enrollment	Student Attendance Percentage
						High School	School				
2015	1,620.0	\$ 31,869,485	\$ 19,673	1.07%	136	1:11.9	1:11.9	1,599.4	1,526.4	1.59%	95.44%
2016	1,553.0	32,716,679	21,067	7.09%	134	1:11.4	1:11.4	1,527.5	1,454.6	-4.50%	95.23%
2017	1,512.5	34,569,672	22,856	8.49%	134	1:11.3	1:11.3	1,494.6	1,425.1	-2.15%	95.35%
2018	1,489.0	36,187,750	24,303	6.33%	135	1:11.0	1:11.0	1,491.0	1,421.0	-0.24%	95.31%
2019	1,461.5	37,863,509	25,907	6.60%	134	1:10.9	1:10.9	1,442.6	1,383.3	-3.25%	95.89%
2020	1,431.0	37,576,149	26,259	1.36%	130	1:11.0	1:11.0	1,415.5	1,375.2	-1.88%	97.15%
2021	1,431.0	39,172,902	27,374	4.25%	128	1:11.2	1:11.2	1,393.3	1,344.9	-1.57%	96.53%
2022	1,344.0	43,476,743	32,349	18.17%	128	1:11.2	1:11.2	1,347.3	1,257.2	-3.30%	93.31%
2023	1,300.0	45,678,678	35,137	8.62%	129	1:10.0	1:10.0	1,203.2	1,137.9	-10.70%	94.58%
2024	1,257.0	47,428,574	37,732	7.38%	128	1:9.9	1:9.9	1,274.9	1,197.7	5.96%	93.94%

Note: Enrollment based on annual October District count.

- ^a Operating expenditures equal total expenditures less debt service and capital outlay.
- ^b Cost per pupil is calculated based upon enrollment and operating expenditures as presented and may not be the same as other cost per pupil calculations.
- ^c Teaching staff includes only full-time equivalents of certificated staff.
- ^d Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Hanover Park Regional High School District records.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

District Buildings	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Hanover Park High School:										
Square Feet	166,264	166,264	166,264	166,264	166,264	166,264	166,264	166,264	166,264	166,264
Capacity (Students)	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204
Enrollment	868	824	822	840	822	806	785	736	714	690
Whippany Park High School:										
Square Feet	156,451	156,451	156,451	156,451	156,451	156,451	156,451	156,451	156,451	156,451
Capacity (Students)	908	908	908	908	908	908	908	908	908	908
Enrollment	720	692	691	648	640	626	607	609	586	567

Number of Schools at June 30, 2024:
 High Schools = 2

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

Source: Hanover Park Regional High School District Facilities Office.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities (Account #111-000-261-XXXX)

School Facilities*	Project # (s)	Fiscal Year Ended June 30,									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Hanover Park High School	N/A	\$ 270,700	\$ 291,529	\$ 277,720	\$ 319,275	\$ 285,063	\$ 335,163	\$ 272,748	\$ 358,312	\$ 415,581	\$ 594,451
Whippany Park High School	N/A	235,326	243,293	245,114	265,537	244,399	244,450	278,238	305,219	344,168	339,131
Total School Facilities		\$ 506,026	\$ 534,822	\$ 522,834	\$ 584,812	\$ 529,462	\$ 579,613	\$ 550,986	\$ 663,531	\$ 759,749	\$ 933,582

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

Source: Hanover Park Regional High School District records.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICTINSURANCE SCHEDULEJUNE 30, 2024UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Package - New Jersey Schools Insurance Group		
Blanket Buildings & Contents	\$ 500,000,000	\$5,000
Blanket Extra Expense	50,000,000	\$5,000
Blanket Valuable Papers & Records	10,000,000	\$5,000
Demolition and Increased Cost of Const.	25,000,000	
Loss of Rents	200,000	
Limited Builders Risk	10,000,000	
Fire Department Service Charge	10,000	
Arson Reward	10,000	
Pollutant Clean-up and Removal	250,000	
Sublimits: Flood Zones (SFHA)	25,000,000	
All Flood Zones Per Occurrence		\$500,000/\$10,000
Annual Aggregate	75,000,000	
Earthquake Per Occurrence		
NJSIG Annual Aggregate	50,000,000	
Terrorism	1,000,000	
Accounts Receivable	250,000	
Electronic Data Processing		\$1,000
Blanket Hardware/Software	500,000	
Blanket Extra Expense	Included	
Coverage Extensions: Transit	Included	
Loss of Income	Included	
Computer Virus	250,000	
Special Flood Hazard Area Flood Deductible:		
Per Building		\$500,000
All Other Flood Zones		\$10,000
Boiler & Machinery		\$25,000
Combined Single Limit Per Accident For Property	100,000,000	
Damage & Business Income		
Sublimits: Property Damage	Included	
Off Premises Property Damage	1,000,000	
Extra Expense/Service Interruption	10,000,000	
Business Income	Included	
Contingent Business Income/Perishable Goods	1,000,000	
Data Restoration/Demolition/Ordinance or Law	1,000,000	
Expediting Expenses/Hazardous Substances	1,000,000	
Newly Acquired Locations (120 day notice)	1,000,000	
Data Restoration/Hazardous Substances/Ordinance	1,000,000	

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Crime		
Public Employee Dishonesty	\$ 500,000	\$500/\$1000
w/ Faithful Performance	50,000	
Theft, Disappearance & Destruction		
Loss of Money & Securities	50,000	
Theft, Disappearance & Destruction		
Money Orders & Counterfeit Paper Currency	50,000	
Forgery or Altercation	50,000	
Computer Fraud	1,000,000	
Comprehensive General Liability		
Bodily Injury & Property Damage	16,000,000	
Bodily Injury Products & Completed OPS	16,000,000	
Sexual Abuse	16,000,000	
Annual Pool Aggregate	27,000,000	
Communicable Disease Outbreak	9,000,000	
Communicable Disease Outbreak	1,000,000	
Personal Injury & Advertising Injury	16,000,000	
Employee Benefits Liability	16,000,000	
Employee Benefits Liability Deductible	1,000	
Premises Medical Payments EA ACC	10,000	
Limit Per Person	5,000	
Terrorism Per Occurrence / Annual	1,000,000	
School Leaders Errors & Omissions		
Coverage Limit	16,000,000	
Deductible Each Claim	10,000	
Coverage B Limit Each Claim	100,000	
Each Policy Period	300,000	
Deductible Each Claim	10,000	
Automobile Coverage		
Symbol 1 Any Auto		
Combined Single Limit for Bodily Injury and Property Damage Per Accident	16,000,000	
Symbol 6 Uninsured/Underinsured Motorist Private Passenger	1,000,000	
Symbol 6 Uninsured/Underinsured Motorist All Other Vehicles	15/30/5	
Symbol 5 Personal Inj. Protection	250,000	
Medical Payments Private Passenger Vehicles	10,000	
All Other Vehicles	5,000	
Personal Injury Protection	250,000	
Terrorism NJSIG Annual Aggregate	1,000,000	

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

	Coverage	Deductible
Physical Damage - Symbol 7		
Scheduled Vehicles Only		
Comprehensive Deductible	\$ 1,000	
Collision Deductible	1,000	
Hired Car Physical Damage Limit	110,000	
Deductible	1,000	
Garagekeepers	Included	
Workers Compensation		
Estimated Professional & Clerical Payroll	20,009,999	
Estimated Non Professional	2,862,946	
Part II Employers Liability EA Accident	3,000,000	
Bodily Injury by Disease	3,000,000	
Bodily Injury by Disease Aggregate	3,000,000	
Workers Compensation	Statutory	
Environmental Impairment Liability		
Site Specific		
Claims Made Form		
Per Pollution Condition	1,000,000	
Total Policy Aggregate	11,000,000	
Deductible Each Pollution Incident	50,000	
Excess Umbrella - NJUEP	10,000,000	
New Jersey Unshared Excess Program		
Coverage Parts: Auto Liability, General		
Liability, Educator's Legal Liability,		
Employment Practices Liability		
Cyber Liability		
Per Incident / Event		
Policy Aggregate Limit of Liability	2,000,000	
Deductibles	Various	
Public Official Bonds		
William F. Albert, Jr., Business Administrator	275,000	
Susan Young, Treasurer	275,000	

Source: Hanover Park Regional High School District records.

SINGLE AUDIT SECTION



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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Hanover Park Regional High School District
County of Morris, 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 "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hanover Park Regional High School District, in the County of Morris (the "District") as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 12, 2024.

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
Hanover Park Regional High 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 results 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.

November 12, 2024
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant



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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
Hanover Park Regional High School District
County of Morris, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Hanover Park Regional High School District (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, 2024. 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, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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
Hanover Park Regional High 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.

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

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. 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.

November 12, 2024
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

**HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through Grantor Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2023		Cash Received	Budgetary Expenditures	Cancel Prior Year Accounts Payable	Balance June 30, 2024		Amounts Provided to Subrecipients
					Accounts Receivable	Unearned Revenue				Accounts Receivable	Unearned Revenue	
U.S. Department of Education:												
Passed-through State Department of Education:												
Special Revenue Fund:												
Special Education Cluster (IDEA):												
I.D.E.A. Part B, Basic	84.027	IDEA 199024	7/1/23-9/30/24	\$ 309,197			\$ 309,197	\$ (281,502)			\$ 27,695	
I.D.E.A. Part B, Basic	84.027	IDEA 199023	7/1/22-9/30/23	287,214			42,863					
Total Special Education Cluster (IDEA)							352,060	(281,502)			27,695	
Elementary and Secondary Education Act Grant:												
Title I	84.010	ESEA199024	7/1/23-9/30/24	38,008			22,696	(21,752)			944	
Title I	84.010	ESEA199023	7/1/22-9/30/23	31,152			3,740	(5,177)				
Total Title I							26,436	(26,929)			944	
Title II A	84.367A	ESEA199024	7/1/23-9/30/24	29,615			10,661	(20,056)				
Title II A	84.367A	ESEA199023	7/1/22-9/30/23	32,835			12,405	(4,495)	\$ 279			
Total Title II A							23,066	(24,551)	279			
Title III	84.365A	ESEA199024	7/1/23-9/30/24	20,404			1,748	(10,203)				
Title IV	84.424	ESEA199024	7/1/23-9/30/24	10,138			10,138	(10,138)				
Total Elementary and Secondary Education Act Grant							61,388	(71,821)	279		(17,850)	944
Education Stabilization Fund:												
COVID 19 - CRRSA:												
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	25,000			11,087	(6,924)				
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000			15,665	(17,942)				
COVID 19 - American Rescue Plan:												
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	219,227			217,451	(217,451)				
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	106,502				(376)			(376)	
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000			26,157	(32,955)			(6,798)	
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000			10,438	(11,995)			(1,557)	
NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000			13,191	(44,087)			(30,896)	
Total Education Stabilization Fund							293,989	(331,730)			(39,627)	
Total U.S. Department of Education							707,437	(685,053)	279		(57,477)	28,639

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass Through Grantor Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2023		Cash Received	Budgetary Expenditures	Cancel Prior Year		Balance June 30, 2024		Amounts Provided to Subrecipients
					Accounts Receivable	Unearned Revenue			Accounts Payable	Accounts Receivable	Unearned Revenue		
U.S. Department of Treasury Passed-through State Department of Education: COVID 19 - Additional or Compensatory Special Education and Related Services (ACSERS)	21.027 21.027	N/A N/A	7/1/23-6/30/24 7/1/22-6/30/23	\$ 362,698 515,129		\$ 194,178 254,165	\$ (362,698)		\$ (168,520)				
Total U.S. Department of Treasury					(254,165)	448,343	(362,698)		(168,520)				
Total Special Revenue Fund					(309,380)	3,714	1,155,780	(1,047,751)	279	(225,997)	28,639		
U.S. Department of Health and Human Services - General Fund: Medicaid Cluster: Medical Assistance Program (SEMI)	93.778	N/A	7/1/23-6/30/24	369		369	(369)						
Total General Fund						369	(369)						
Total U.S. Department of Health and Human Services/ Medicaid Cluster						369	(369)						
Total Federal Awards					(309,380)	3,714	1,156,149	(1,048,120)	279	(225,997)	28,639		- 0 -

N/A - Information is not available.

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2023		Cash Received	Budgetary Expenditures	Balance June 30, 2024		Memo		
				(Accounts Receivable)	Due to Grantor			GAAP (Accounts Receivable)	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures	
NJ Department of Education:												
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 1,451,619			\$ 1,303,588	\$ (1,451,619)			\$ (148,031)	\$ (1,451,619)	
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	1,390,438	\$ (131,099)		131,099					(1,390,438)	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	122,212			119,645	(122,212)			(2,567)	(122,212)	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	25,177	(2,374)		2,374					(25,177)	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	702,432			637,151	(702,432)			(65,281)	(702,432)	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	640,159	(60,358)		60,358					(640,159)	
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	743,071			646,043	(743,071)			(743,071)	(743,071)	
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	646,043	(646,043)							(646,043)	
Non-Public Transportation	24-495-034-5120-014	7/1/23-6/30/24	78,416			45,516	(78,416)			(78,416)	(78,416)	
Non-Public Transportation	23-495-034-5120-014	7/1/22-6/30/23	45,516	(45,516)							(45,516)	
Homeless Tuition Reimbursement	24-495-034-5120-005	7/1/23-6/30/24	8,561				(8,561)			(8,561)	(8,561)	
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	1,040,736			988,615	(1,040,736)			(52,121)	(1,040,736)	
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,007,607	(48,713)		48,713					(1,007,607)	
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	1,360,223			1,360,223	(1,360,223)				(1,360,223)	
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	4,941,464			4,941,464	(4,941,464)				(4,941,464)	
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	56,355			56,355	(56,355)				(56,355)	
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	1,860			1,860	(1,860)				(1,860)	
Total General Fund State Aid				(934,103)		10,343,004	(10,506,949)	(882,169)		(1,098,048)	(15,063,047)	
Special Revenue Fund:												
School Development Authority:												
Emergent and Capital Maintenance Needs	N/A	7/1/23-6/30/24	36,048			36,048	(36,048)				(36,048)	
Emergent and Capital Maintenance Needs	N/A	7/1/22-6/30/24	37,482			37,482	(37,482)				(37,482)	
NJ Department of Community Affairs:												
NJDCA Local Recreation Improvement Grant	N/A	7/1/22-6/30/23	30,588	(30,588)				(30,588)		(30,588)	(30,588)	
Total Special Revenue Fund				(30,588)		73,530	(73,530)	(30,588)		(30,588)	(104,118)	

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2023		Cash Received	Budgetary Expenditures	Balance June 30, 2024		Memo	
				(Accounts Receivable)	Due to Grantor			(Accounts Receivable)	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
NJ Department of Education:											
Debt Service Fund:											
Debt Service Aid	24-100-034-5120-075	7/1/23-6/30/24	\$ 256,687			\$ 256,687	\$ (256,687)			\$ (256,687)	
Total Debt Service Fund						256,687	(256,687)			(256,687)	
Total NJ Department of Education				\$ (964,691)	\$ - 0 -	10,673,221	(10,837,166)	\$ (912,757)	\$ - 0 -	(15,423,852)	
Total State Awards				\$ (964,691)	\$ - 0 -	\$ 10,673,221	\$ (10,837,166)	\$ (912,757)	\$ - 0 -	\$ (15,423,852)	
Less: State Awards Not Subject to Single Audit Major Program Determination											
On-Behalf TPAF Pension System Contributions:											
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	(1,360,223)				\$ 1,360,223				
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	(4,941,464)				4,941,464				
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	(56,355)				56,355				
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	(1,860)				1,860				
Subtotal - On-Behalf TPAF Pension System Contributions							6,359,902				
Total State Awards Subject to Single Audit Major Program Determination							\$ (4,477,264)				

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

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Hanover Park Regional High School District under programs of the federal and state governments for the fiscal year ended June 30, 2024. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“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 elected not 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, special revenue and debt service funds 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 state aid payments for the current budget year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the current year 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. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$22,048) for the general fund, and (\$6,243) for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

Note 4. Relationship to Basic Financial Statements (Cont'd)

Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as reported below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 369	\$ 10,484,901	\$ 10,485,270
Special Revenue Fund	1,041,508	73,530	1,115,038
Debt Service Fund		256,687	256,687
Total Awards	<u>\$ 1,041,877</u>	<u>\$ 10,815,118</u>	<u>\$ 11,856,995</u>

Note 5. Relationship to Federal and State Financial Reports

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

Note 6. 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 fiscal year ended June 30, 2024.

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

- | | | | | |
|--|-------|-----|---------------|---------------|
| 1.) Material weakness identified? | _____ | Yes | _____ X _____ | No |
| 2.) Significant deficiencies identified? | _____ | Yes | _____ X _____ | None reported |

Noncompliance material to basic financial statements noted?	_____	Yes	_____ X _____	No
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Federal Awards

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

Unmodified

Internal control over major programs:

- | | | | | |
|--|-------|-----|---------------|---------------|
| 1.) Material weakness identified? | _____ | Yes | _____ X _____ | No |
| 2.) Significant deficiencies identified? | _____ | Yes | _____ X _____ | None reported |

Noncompliance material to basic financial statements noted?	_____	Yes	_____ X _____	No
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____	Yes	_____ X _____	No
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Identification of major programs:

Program Name or Cluster	Assistance Listing No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
Special Education Cluster (IDEA):					
I.D.E.A. Part B, Basic	84.027	7/1/23	9/30/24	\$ 309,197	\$ 281,502
Education Stabilization Fund:					
COVID 19 - CRRSA:					
Learning Acceleration	84.425D	3/13/20	9/30/23	25,000	6,924
Mental Health	84.425D	3/13/20	9/30/23	45,000	17,942
COVID 19 - American Rescue Plan:					
ESSER III	84.425U	3/13/20	9/30/24	219,227	217,451
Accelerated Learning Coach and Educator Support	84.425U	3/13/20	9/30/24	106,502	376
Evidence Based Summer Learning and Enrichment	84.425U	3/13/20	9/30/24	40,000	32,955
Evidence Based Comprehensive Beyond the School Day	84.425U	3/13/20	9/30/24	40,000	11,995
NJTSS Mental Health Support Staffing	84.425U	3/13/20	9/30/24	45,000	44,087

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

Auditee qualified as low-risk auditee? _____ Yes X No

State Awards

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

Internal control over major programs:

- 1.) Material weakness identified? _____ Yes X No
- 2.) Significant deficiencies identified? _____ Yes X None reported

Noncompliance material to basic financial statements noted? _____ Yes X No

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

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
Transportation Aid	24-495-034-5120-014	7/1/2023	6/30/2024	\$ 702,432	\$ 702,432
Non-Public Transportation	24-495-034-5120-014	7/1/2023	6/30/2024	78,416	78,416
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	7/1/2023	6/30/2024	1,040,736	1,040,736

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

Auditee qualified as low-risk auditee? _____ Yes X No

HANOVER PARK REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Status of Prior Year Findings:

There were no audit findings or questioned costs for the year ended June 30, 2023.