

HASBROUCK HEIGHTS
BOARD OF EDUCATION

Hasbrouck Heights Board of Education
Hasbrouck Heights, New Jersey

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

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Hasbrouck Heights Board of Education

Hasbrouck Heights, New Jersey

For The Fiscal Year Ended June 30, 2024

Prepared by

**Hasbrouck Heights Board of Education
Finance Department**

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INTRODUCTORY SECTION



HASBROUCK HEIGHTS PUBLIC SCHOOLS

THE OFFICE OF THE SUPERINTENDENT OF SCHOOLS

379 Boulevard
Hasbrouck Heights, New Jersey 07604
Phone (201) 288-6150

Jillian G. Torrento, Ed.D.
Superintendent of Schools

Robert Brown
Business Administrator/ Board Secretary

January 28, 2025

Honorable President and Members of the Board of Education
Hasbrouck Heights School District
County of Bergen, New Jersey 07604

Dear Board Trustees:

The annual comprehensive financial report of the Hasbrouck Heights 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 (CFR) Part 200 *Uniform Administrative Requirements Costs Principles and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

It is noted that a federal single audit was required for this audit year. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Hasbrouck Heights School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Hasbrouck Heights Board of Education and all its schools constitute the District's reporting entity.

2) EDUCATIONAL PROGRAM: The District provides a full range of educational services appropriate to grade levels Pre-K through 12 for regular and special education handicapped youngsters serving approximately 1,681 students. All schools are accredited by the New Jersey State Department of Education. The District is served by 148.0 (FTE) teachers and 11 (FTE) administrators. Approximately 80% of the faculty has earned Master's degrees.

Educational Services include reading, language arts, social studies, mathematics, science, computer education, remedial instructions, special education, resource room instruction, family life, physical and health education, career education, world languages and enrichment. The curriculum is aligned with the New Jersey Student Learning Standards.

The District completed the 2023-2024 fiscal year with an average daily enrollment of 1,658 students, which is a decrease of 63 students compared to the previous year's average daily enrollment.

The following details the changes in the student enrollment of the Hasbrouck Heights School District over the last five years:

<u>Fiscal Year</u>	<i>Average Daily Enrollment</i> <u>Student Enrollment</u>	<u>Percent Change</u>
2024	1,658	(3.67) %
2023	1,721	0.94 %
2022	1,705	(0.29) %
2021	1,710	(2.39) %
2020	1,752	(1.58) %

3) ECONOMIC CONDITION AND OUTLOOK: The District's primary funding source is property tax revenue. Overall tax revenue for the General Fund was increased for the 2023-2024 school year. The District's administration continues to closely monitor the cost of operations and continues to look for innovative ways to cut costs in addition to finding new funding sources in order to maintain the quality educational services that the District has been accustomed to providing.

4) MAJOR INITIATIVES: Specific initiatives for the 2023-2024 school year include the following accomplishments:

- Enhanced our collaborative special education classes throughout the district
- Expanded the preschool disabled program within the elementary schools
- Expanded our 1-1 Chromebook initiative
- Expanded electives at the high school

5) INTERNAL CONTROLS: Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the

benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, 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. The internal control system is also subject to periodic evaluation by the District management.

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

6) BUDGETARY CONTROLS: In addition to internal controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the state. Annual appropriated budgets are adopted for the general fund, special revenue fund, and debt service 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 assigned fund balance at June 30, 2024.

7) ACCOUNTING SYSTEMS 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 Financial Statements," Note 2.

8) DEBT ADMINISTRATION: At June 30, 2024, the District had \$3,845,000 in outstanding statutory debt, composed entirely of school bonds to improve District facilities.

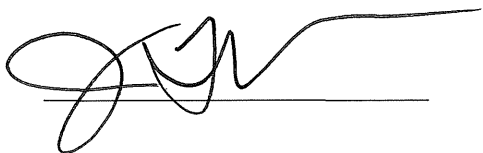
9) CASH MANAGEMENT: The investment policy of the District is guided in large part by State Statute as detailed in "Notes to the Financial Statements," Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the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

10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

11) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch Vinci & Bliss, LLP was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Uniform Guidance and New Jersey OMB Circular NJOMB 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 are included in the single audit section of this report.

12) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Hasbrouck Heights School 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,

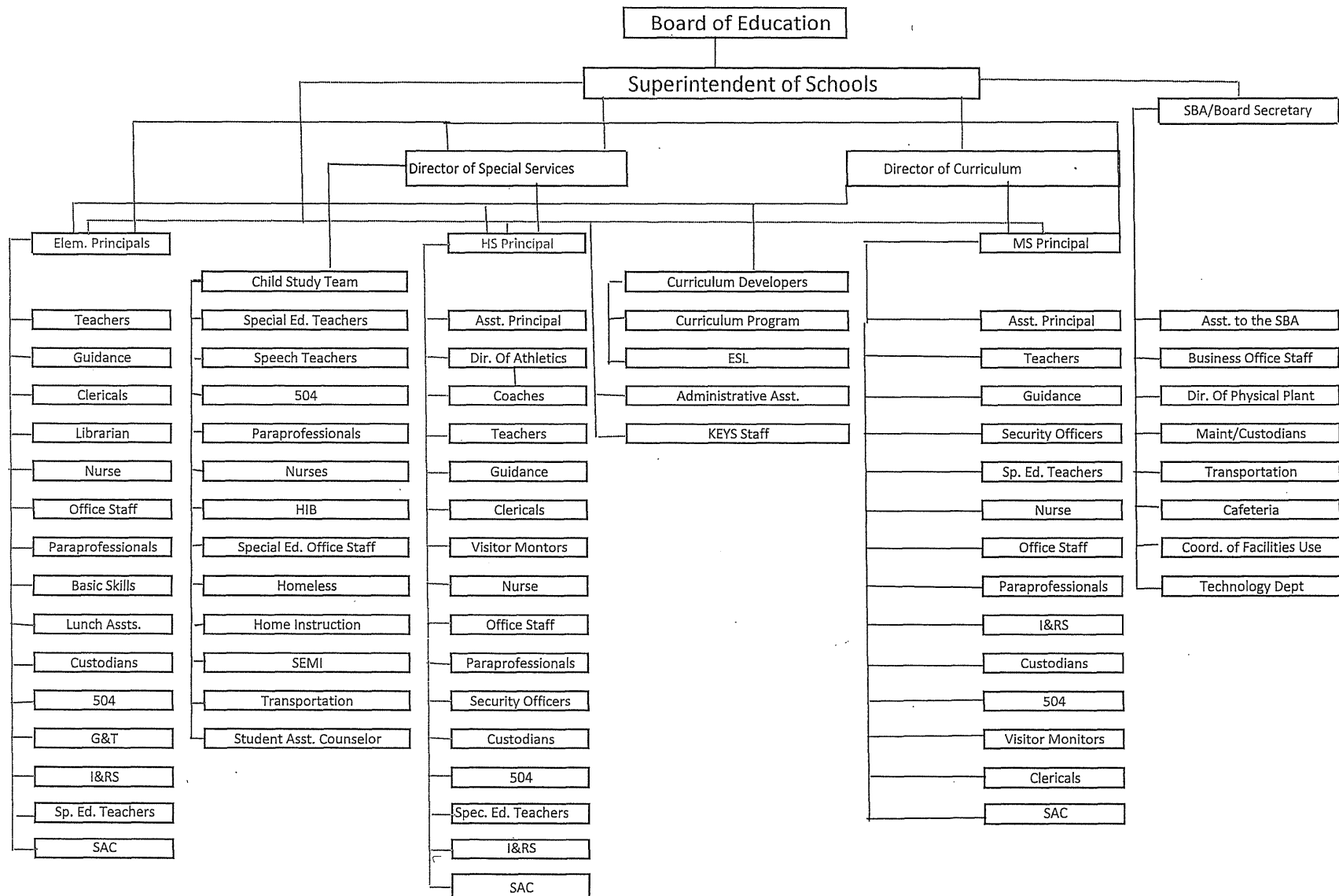
A handwritten signature in black ink, appearing to be 'J. Torrento', written over a horizontal line.

Dr. Jillian Torrento
Superintendent of Schools

A handwritten signature in black ink, appearing to be 'Robert Brown', written over a horizontal line.

Robert Brown
Interim Business Admin/Board Secretary

ORGANIZATIONAL CHART Hasbrouck Heights Public Schools



**HASBROUCK HEIGHTS BOARD OF EDUCATION
HASBROUCK HEIGHTS, NEW JERSEY**

**ROSTER OF OFFICIALS
June 30, 2024**

Members of the Board of Education

**Term
Expires**

Lori Cintron -President	2025
Lisa Krommenhoek – Vice President	2026
Christopher DeLorenzo	2024
Jillian Ferdinand	2026
Kevin Mullins	2026
Nicole Russo	2024
Kathleen Sausa	2025
Helen Tejeda-Ramos	2025
Lauren Terranova	2024

Other Officials

Dr. Michael Polizzi – *Interim Superintendent of Schools (July 2023- June 2024)*
Robert Brown - *Interim Board Secretary/School Business Administrator*

**HASBROUCK HEIGHTS BOARD OF EDUCATION
HASBROUCK HEIGHTS, NEW JERSEY**

CONSULTANTS AND ADVISORS

Architect

El Associates
6 Ridgedale Avenue
Cedar Knolls, New Jersey 07927

Audit Firm

Lerch Vinci Bliss, LLP
17-17 State Route 208 Suite 190
Fair Lawn, New Jersey 07410

Attorney

Isabel Machado, Esq.
Machado Law Group, LLC
1 Cleveland Place
Springfield, NJ 07081

Official Depository

Valley National Bank
1445 Valley Road
Wayne, New Jersey 07470

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of Board of Education
Hasbrouck Heights Board of Education
Hasbrouck Heights, New Jersey

Report on the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hasbrouck Heights Board of Education as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hasbrouck Heights Board of Education'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 Hasbrouck Heights Board of Education's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

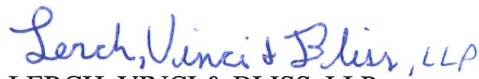
Other Information


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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 28, 2025 on our consideration of the Hasbrouck Heights Board of Education'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 Hasbrouck Heights Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Hasbrouck Heights Board of Education's internal control over financial reporting and compliance.


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


Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
January 28, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

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

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

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Hasbrouck Heights Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$11,594,632 (net position).
- Overall District revenues were \$47,224,182. General revenues accounted for \$36,170,922 or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$11,053,260 of total revenues.
- The School District had \$44,008,286 in expenses for governmental activities; only \$9,841,948 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$36,159,655 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$4,269,656 a decrease of \$1,457,811 when compared to the ending fund balance at June 30, 2023 of \$5,727,467.
- The General Fund unassigned fund balance at June 30, 2024 was \$158,444 a decrease of \$122,089 when compared with the ending fund balance of \$280,533 at June 30, 2023.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$809,739 which represents a decrease of \$189,126 when compared to the ending unassigned fund balance at June 30, 2023 of \$998,865.

HASBROUCK HEIGHTS BOARD OF EDUCATION

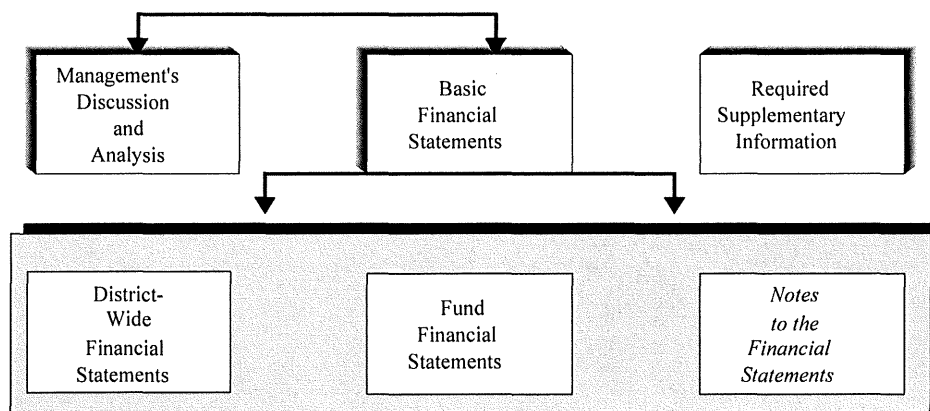
Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

District-Wide Financial Statements

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

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

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

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. Property taxes levied and State and Federal Aids finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund, Keys Program and Summer Program Enterprise Funds 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 bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

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

Notes to the Financial Statements

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

Other Information

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

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

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

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$11,594,632 and \$9,442,922 as of June 30, 2024 and 2023, respectively, as shown below.

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

Net Position as of June 30, 2024 and 2023

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u> (Restated)	<u>2024</u>	<u>2023</u> (Restated)	<u>2024</u>	<u>2023</u> (Restated)
Assets						
Current and Other Assets	\$ 9,571,174	\$ 9,351,109	\$ 969,652	\$ 954,206	\$ 10,540,826	\$ 10,305,315
Capital Assets	<u>16,916,460</u>	<u>15,342,223</u>	<u>84,487</u>	<u>34,832</u>	<u>17,000,947</u>	<u>15,377,055</u>
Total Assets	<u>26,487,634</u>	<u>24,693,332</u>	<u>1,054,139</u>	<u>989,038</u>	<u>27,541,773</u>	<u>25,682,370</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	317,958	496,379			317,958	496,379
Deferred Amounts on Refunding of Debt	<u>-</u>	<u>12,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,540</u>
Total Deferred Outflows	<u>317,958</u>	<u>508,919</u>	<u>-</u>	<u>-</u>	<u>317,958</u>	<u>508,919</u>
Total Assets and Deferred Outflows	<u>26,805,592</u>	<u>25,202,251</u>	<u>1,054,139</u>	<u>989,038</u>	<u>27,859,731</u>	<u>26,191,289</u>
Liabilities						
Long-Term Liabilities	10,352,737	11,412,597			10,352,737	11,412,597
Other Liabilities	<u>5,352,198</u>	<u>3,675,237</u>	<u>153,150</u>	<u>212,934</u>	<u>5,505,348</u>	<u>3,888,171</u>
Total Liabilities	<u>15,704,935</u>	<u>15,087,834</u>	<u>153,150</u>	<u>212,934</u>	<u>15,858,085</u>	<u>15,300,768</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	404,535	892,299			404,535	892,299
Deferred Commodities Revenue	<u>-</u>	<u>-</u>	<u>2,479</u>	<u>1,155</u>	<u>2,479</u>	<u>1,155</u>
Total Deferred Inflows	<u>404,535</u>	<u>892,299</u>	<u>2,479</u>	<u>1,155</u>	<u>407,014</u>	<u>893,454</u>
Total Liabilities and Deferred Inflows	<u>16,109,470</u>	<u>15,980,133</u>	<u>155,629</u>	<u>214,089</u>	<u>16,265,099</u>	<u>16,194,222</u>
Net Position						
Net Investment in Capital Assets	12,512,794	9,431,944	84,487	-	12,597,281	9,431,944
Restricted	2,999,607	3,499,448			2,999,607	3,499,448
Unrestricted	<u>(4,816,279)</u>	<u>(4,228,587)</u>	<u>814,023</u>	<u>740,117</u>	<u>(4,002,256)</u>	<u>(3,488,470)</u>
Total Net Position	<u>\$ 10,696,122</u>	<u>\$ 8,702,805</u>	<u>\$ 898,510</u>	<u>\$ 740,117</u>	<u>\$ 11,594,632</u>	<u>\$ 9,442,922</u>

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues						
Charges for Services	\$ 235,399	\$ 259,507	\$ 951,543	\$ 897,070	\$ 1,186,942	\$ 1,156,577
Operating Grants and Contributions	9,093,202	8,670,397	259,769	338,159	9,352,971	9,008,556
Capital Grants and Contributions	513,347	339,950			513,347	339,950
General Revenues						
Property Taxes	33,969,320	32,807,079			33,969,320	32,807,079
State Aid	1,644,132	1,625,538			1,644,132	1,625,538
Investment Earnings	259,354	285,331	11,267	-	270,621	285,331
Miscellaneous	286,849	234,856	-	-	286,849	234,856
Total Revenues	<u>46,001,603</u>	<u>44,222,658</u>	<u>1,222,579</u>	<u>1,235,229</u>	<u>47,224,182</u>	<u>45,457,887</u>
Expenses						
Instruction						
Regular	17,270,141	16,864,030			17,270,141	16,864,030
Special Education	7,799,655	7,206,160			7,799,655	7,206,160
Other Instruction	954,991	865,916			954,991	865,916
School Sponsored Activities and Athletics	1,383,753	1,263,830			1,383,753	1,263,830
Support Services						
Student and Instruction Related Services	6,599,363	6,262,172			6,599,363	6,262,172
General Administration Services	1,441,201	1,410,217			1,441,201	1,410,217
School Administration Services	1,221,207	1,353,769			1,221,207	1,353,769
Business Services	630,815	866,680			630,815	866,680
Plant Operation and Maintenance	5,410,210	4,809,795			5,410,210	4,809,795
Pupil Transportation	1,202,082	1,209,735			1,202,082	1,209,735
Interest and Other Chgs on Long-Term Debt	94,868	135,693			94,868	135,693
Food Service			745,361	725,603	745,361	725,603
Keys and Summer Programs	-	-	318,825	355,998	318,825	355,998
Total Expenses	<u>44,008,286</u>	<u>42,247,997</u>	<u>1,064,186</u>	<u>1,081,601</u>	<u>45,072,472</u>	<u>43,329,598</u>
Change in Net Position	1,993,317	1,974,661	158,393	153,628	2,151,710	2,128,289
Net Position, Beginning of Year	8,702,805	7,247,457	740,117	621,321	9,442,922	7,868,778
Prior Period Adjustment	<u>-</u>	<u>(519,313)</u>	<u>-</u>	<u>(34,832)</u>	<u>-</u>	<u>(554,145)</u>
Net Position, End of Year	<u>\$ 10,696,122</u>	<u>\$ 8,702,805</u>	<u>\$ 898,510</u>	<u>\$ 740,117</u>	<u>\$ 11,594,632</u>	<u>\$ 9,442,922</u>

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

Governmental Activities

The financial position of the District improved. However, maintaining existing programs which include both regular and special education programs and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction				
Regular	\$ 17,270,141	\$ 16,864,030	\$ 13,877,019	\$ 13,256,092
Special Education	7,799,655	7,206,160	4,343,451	4,303,724
Other Instruction	954,991	865,916	505,291	452,387
School Sponsored Activities and Athletics	1,383,753	1,263,830	1,135,558	1,006,438
Support Services				
Student and Instruction Related Services	6,599,363	6,262,172	5,499,157	5,290,479
General Administration	1,441,201	1,410,217	1,435,423	1,396,011
School Administration Services	1,221,207	1,353,769	941,176	1,039,956
Business Services	630,815	866,680	620,648	841,080
Plant Operation and Maintenance	5,410,210	4,809,795	4,678,992	4,216,441
Pupil Transportation	1,202,082	1,209,735	1,057,524	1,063,858
Interest and Other Charges on Long-Term Debt	<u>94,868</u>	<u>135,693</u>	<u>72,099</u>	<u>111,677</u>
Total	<u>\$ 44,008,286</u>	<u>\$ 42,247,997</u>	<u>\$ 34,166,338</u>	<u>\$ 32,978,143</u>

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$4,269,656 a decrease of \$1,457,811 from last year's fund balance of \$5,727,467.

Revenues and other financing sources for the District's governmental funds were \$50,273,136; total expenditures and other financing uses were \$51,730,947.

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

Revenues of the General Fund were \$45,854,293 for the fiscal year ended June 30, 2024. State sources were \$12,147,279, federal sources were \$27,319 and local sources were \$33,679,695. Other financing sources from lease proceeds were received in the amount of \$589,639.

Expenditures of the General Fund were \$47,036,659. Instructional expenditures were \$28,788,947, expenditures for support services were \$15,667,265, expenditures for debt service were \$556,902 and capital expenditures totaled \$2,023,545 for the fiscal year ended June 30, 2024.

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

Revenues of the Special Revenue Fund were \$2,242,079 for the fiscal year ended June 30, 2024. State sources were \$353,059, federal sources were \$1,654,441 and local sources were \$234,579.

Expenditures of the Special Revenue Fund were \$2,222,580. Instructional expenditures were \$1,580,161, expenditures for support services were \$485,803 and capital expenditures totaled \$156,616 for the fiscal year ended June 30, 2024.

Capital Projects Fund - The capital projects expenditures exceeded revenues and other financing sources by \$720,456 decreasing the fund balance from \$1,294,378 at June 30, 2023 to \$573,922 at June 30, 2024.

Proprietary Funds

The District maintains an Enterprise Fund to account for activities, which are supported in part through user fees.

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services Program, Keys Program and Other Enterprise Fund Programs. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2024 and 2023 amounts to \$17,000,947 and \$14,822,910 (net of accumulated depreciation), respectively. The capital assets consist of land, buildings and building improvements, computers, machinery and various other types of equipment. Depreciation charges for the fiscal year 2023-2024 amounted to \$1,341,948 for governmental activities and \$30,428 for the Business-Type activities.

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

	Governmental		Business- Type		Total	
	<u>Activities</u>		<u>Activities</u>		<u>2024</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 3,058,776	\$ 3,058,776			\$ 3,058,776	\$ 3,058,776
Construction in Progress	503,892	2,923,261			503,892	2,923,261
Buildings and Building Impvts	12,157,433	7,759,689			12,157,433	7,759,689
Machinery and Equipment	<u>1,196,359</u>	<u>1,081,184</u>	<u>\$ 84,487</u>	<u>\$ -</u>	<u>1,280,846</u>	<u>1,081,184</u>
Total	<u>\$ 16,916,460</u>	<u>\$ 14,822,910</u>	<u>\$ 84,487</u>	<u>\$ -</u>	<u>\$ 17,000,947</u>	<u>\$ 14,822,910</u>

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

HASBROUCK HEIGHTS BOARD OF EDUCATION

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2024, the District's long-term liabilities consisted of compensated absences payable of \$1,209,177, serial bonds of \$3,845,000, capital financing agreements of \$612,971, other financing agreements of \$157,887 and net pension liability of \$4,527,702 totaling \$10,352,737. This is in comparison to long-term liabilities at June 30, 2023 of \$11,412,597 or a decrease of \$1,059,860.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Hasbrouck Heights Board of Education, 379 Boulevard, Hasbrouck Heights, NJ 07604.

BASIC FINANCIAL STATEMENTS

HASBROUCK HEIGHTS BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 1,736,840	\$ 929,402	\$ 2,666,242
Receivables, Net	7,856,963	15,142	7,872,105
Internal Balances	(22,629)	22,629	-
Inventory		2,479	2,479
Capital Assets, Not Being Depreciated	3,562,668		3,562,668
Capital Assets, Being Depreciated, Net	13,353,792	84,487	13,438,279
Total Assets	26,487,634	1,054,139	27,541,773
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount of Net Pension Liability	317,958		317,958
Total Deferred Outflows of Resources	317,958	-	317,958
Total Assets and Deferred Outflows of Resources	26,805,592	1,054,139	27,859,731
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,570,548	38,737	1,609,285
Payable to Other Governments	98,174		98,174
Accrued Interest Payable	50,680		50,680
Unearned Revenue	3,632,796	114,413	3,747,209
Noncurrent Liabilities			
Due Within One Year	776,599		776,599
Due Beyond One Year	9,576,138		9,576,138
Total Liabilities	15,704,935	153,150	15,858,085
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount of Net Pension Liability	404,535		404,535
Deferred Commodities Revenue	-	2,479	2,479
Total Deferred Inflows of Resources	404,535	2,479	407,014
Total Liabilities and Deferred Inflows of Resources	16,109,470	155,629	16,265,099
NET POSITION			
Net Investment in Capital Assets	12,512,794	84,487	12,597,281
Restricted for:			
Capital Projects	2,150,020		2,150,020
Plant Maintenance	624,852		624,852
Other Purposes	224,735		224,735
Unrestricted	(4,816,279)	814,023	(4,002,256)
Total Net Position	\$ 10,696,122	\$ 898,510	\$ 11,594,632

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Program Revenues				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
Functions/Programs:							
Governmental Activities							
Instruction							
Regular	\$ 17,270,141	\$ 2,750	\$ 3,390,372		\$ (13,877,019)		\$ (13,877,019)
Special Education	7,799,655		3,456,204		(4,343,451)		(4,343,451)
Other Special Instruction	954,991		449,700		(505,291)		(505,291)
School Sponsored Activities and Athletics	1,383,753	232,649	15,546		(1,135,558)		(1,135,558)
Support Services							
Student and Instruction Related Svcs.	6,599,363		1,100,206		(5,499,157)		(5,499,157)
General Administrative Services	1,441,201		5,778		(1,435,423)		(1,435,423)
School Administrative Services	1,221,207		280,031		(941,176)		(941,176)
Central and Other Support Services	630,815		10,167		(620,648)		(620,648)
Plant Operations and Maintenance	5,410,210		217,871	\$ 513,347	(4,678,992)		(4,678,992)
Student Transportation	1,202,082		144,558		(1,057,524)		(1,057,524)
Interest on Long-Term Debt	94,868		22,769		(72,099)	-	(72,099)
Total Governmental Activities	44,008,286	235,399	9,093,202	513,347	(34,166,338)	-	(34,166,338)
Business-Type Activities							
Food Service	745,361	506,488	259,769			\$ 20,896	20,896
Keys and Summer Programs	318,825	445,055		-		126,230	126,230
Total Business-Type Activities	1,064,186	951,543	259,769	-	-	147,126	147,126
Total Primary Government	\$ 45,072,472	\$ 1,186,942	\$ 9,352,971	\$ 513,347	(34,166,338)	147,126	(34,019,212)
General Revenues:							
Property Taxes Levied for General Purposes					33,144,765		33,144,765
Property Taxes Levied for Debt Service					824,555		824,555
State Aid - Unrestricted					1,644,132		1,644,132
Interest Earnings					259,354	11,267	270,621
Miscellaneous Income					286,849		286,849
Total General Revenues					36,159,655	11,267	36,170,922
Change in Net Position					1,993,317	158,393	2,151,710
Net Position, Beginning of Year, (Restated)					8,702,805	740,117	9,442,922
Net Position, End of Year					\$ 10,696,122	\$ 898,510	\$ 11,594,632

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

FUND FINANCIAL STATEMENTS

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash	\$ 1,132,282	\$ 309,873	\$ 294,685		\$ 1,736,840
Property Tax Levy Receivable	3,483,865				3,483,865
Intergovernmental Receivable	58,419	318,316	3,996,363		4,373,098
Due from Other Funds	86,590	-	-	-	86,590
Total Assets	<u>\$ 4,761,156</u>	<u>\$ 628,189</u>	<u>\$ 4,291,048</u>	<u>\$ -</u>	<u>\$ 9,680,393</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 1,042,124	\$ 221,720	\$ 167,890		\$ 1,431,734
Payable to Other Governments		98,174			98,174
Payroll Deductions and Withholdings Payable	138,814				138,814
Due to Other Funds	109,219				109,219
Unearned Revenue	-	83,560	3,549,236	-	3,632,796
Total Liabilities	<u>1,290,157</u>	<u>403,454</u>	<u>3,717,126</u>	<u>-</u>	<u>5,410,737</u>
Fund Balances					
Restricted Fund Balance					
Excess Surplus Desig. for Subseq. Year's Exp.	256,441				256,441
Capital Reserve	762,031				762,031
Capital Reserve Desig. for Subseq. Year's Exp.	868,372				868,372
Maintenance Reserve	424,852				424,852
Maint. Reserve Desig. for Subseq. Year's Exp.	200,000				200,000
Capital Projects			573,922		573,922
Student Activities		166,950			166,950
Scholarship Awards		57,785			57,785
Committed					
Year End Encumbrances	102,949				102,949
Assigned					
Year End Encumbrances	84,654				84,654
Designated for Subsequent Year's Expenditures	613,256				613,256
Unassigned	158,444	-	-	-	158,444
Total Fund Balances	<u>3,470,999</u>	<u>224,735</u>	<u>573,922</u>	<u>-</u>	<u>4,269,656</u>
Total Liabilities and Fund Balances	<u>\$ 4,761,156</u>	<u>\$ 628,189</u>	<u>\$ 4,291,048</u>	<u>\$ -</u>	<u>\$ 9,680,393</u>

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

Total Fund Balances (Exhibit B-1) \$ 4,269,656

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$28,404,884 and the accumulated depreciation is \$11,488,424.

16,916,460

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and amortized over future years.

	Deferred Outflows of Resources	\$ 317,958
	Deferred Inflows of Resources	<u>(404,535)</u>
		(86,577)

The District has financed capital assets through the issuance of long-term bonds and Financing Agreements. The interest accrual at year end is:

(50,680)

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

	Bonds Payable, including unamortized premium	(3,845,000)
	Capital Financing Agreements	(612,971)
	Other Financing Agreements	(157,887)
	Compensated Absences	(1,209,177)
	Net Pension Liability	<u>(4,527,702)</u>
		(10,352,737)

Net Position of Governmental Activities (Exhibit A-1) \$ 10,696,122

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Tax Levy	\$ 33,144,765			\$ 824,555	\$ 33,969,320
Tuition	2,750				2,750
Interest	245,331		\$ 14,023		259,354
Miscellaneous	286,849	\$ 234,579			521,428
Total - Local Sources	33,679,695	234,579	14,023	824,555	34,752,852
State Sources	12,147,279	353,059		227,689	12,728,027
Federal Sources	27,319	1,654,441	356,731		2,038,491
Total Revenues	45,854,293	2,242,079	370,754	1,052,244	49,519,370
EXPENDITURES					
Current					
Instruction					
Regular Instruction	19,018,340	442,394			19,460,734
Special Education Instruction	7,855,221	591,945			8,447,166
Other Special Instruction	711,070	333,787			1,044,857
School Sponsored Activities and Athletics	1,204,316	212,035			1,416,351
Support Services					
Student and Instruction Related Services	6,469,566	485,803			6,955,369
General Administrative Services	1,449,000				1,449,000
School Administrative Services	1,449,329				1,449,329
Central Services	652,135				652,135
Plant Operations and Maintenance	4,466,178				4,466,178
Pupil Transportation	1,181,057				1,181,057
Debt Service					
Principal	525,782			970,000	1,495,782
Interest	31,120			82,244	113,364
Capital Outlay	2,023,545	156,616	1,255,337		3,435,498
Total Expenditures	47,036,659	2,222,580	1,255,337	1,052,244	51,566,820
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(1,182,366)	19,499	(884,583)	-	(2,047,450)
OTHER FINANCING SOURCES (USES)					
Capital Financing Agreements (Non-Budget)	589,639				589,639
Transfers In			164,127	-	164,127
Transfers Out	(164,127)		-		(164,127)
Total Other Financing Sources and Uses	425,512	-	164,127	-	589,639
Net Change in Fund Balance	(756,854)	19,499	(720,456)	-	(1,457,811)
Fund Balance, Beginning of Year	4,227,853	205,236	1,294,378	-	5,727,467
Fund Balance, End of Year	\$ 3,470,999	\$ 224,735	\$ 573,922	\$ -	\$ 4,269,656

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (1,457,811)**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense.

Capital Outlay	\$ 3,435,498	
Depreciation Expense	<u>(1,341,948)</u>	
		2,093,550

The issuance of long-term debt provides current financial resources to governmental funds, however these transactions have no effect in Statement of Activities.

Capital Financing Agreement Proceeds	(396,865)	
Other Financing Agreement Proceeds	<u>(192,774)</u>	
		(589,639)

Repayment of debt 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

Principal Repayments:		
Bonds Payable	970,000	
Capital Financing Agreements	342,279	
Other Financing Agreements	123,305	
Leases Payable	<u>120,660</u>	
		1,556,244

In the statement of activities, certain items related to the refunding of long term debt are deferred and amortized over the term of the debt. In the governmental funds, these costs are reported upon the issuance of debt. This amount represents the current year amortization of the costs related to the issuance of long term debt in previous years.

Deferred Amount on Refunding	(12,540)	
Original Issue Premium	<u>30,121</u>	
		17,581

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

Increase in Compensated Absences	(35,219)	
Decrease in Pension Expense	<u>407,696</u>	
		372,477

Interest on long-term debt in the governmental funds is recorded as an expenditure when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>915</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 1,993,317**

**HASBROUCK HEIGHTS BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	Business -Type Activities Enterprise Funds			
	<u>Food Service</u>	<u>Keys Program</u>	<u>Non-Major Summer Program</u>	<u>Total</u>
ASSETS				
Cash	\$ 292,068	\$ 565,900	\$ 71,434	\$ 929,402
Intergovernmental Receivable, Net	10,345			10,345
Accounts Receivable, Net	4,797			4,797
Due from Other Funds		60,520	48,699	109,219
Inventories	2,479	-	-	2,479
Total Current Assets	309,689	626,420	120,133	1,056,242
Capital Assets				
Equipment	292,664	-	-	292,664
Accumulated Depreciation	(208,177)	-	-	(208,177)
Total Capital Assets, Net	84,487	-	-	84,487
Total Assets	394,176	626,420	120,133	1,140,729
LIABILITIES				
Current Liabilities				
Accounts Payable	38,022	715		38,737
Due to Other Funds	86,590	-		86,590
Unearned Revenue	24,727	89,686	-	114,413
Total Liabilities	149,339	90,401	-	239,740
DEFERRED INFLOW OF RESOURCES				
Deferred Commodities Revenue	2,479			2,479
Total Liabilities and Deferred Inflow of Resources	151,818	90,401	-	242,219
NET POSITION				
Investment in Capital Assets	84,487			84,487
Unrestricted	157,871	536,019	120,133	814,023
Total Net Position	\$ 242,358	\$ 536,019	\$ 120,133	\$ 898,510

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Business -Type Activities Enterprise Funds			<u>Total</u>
	<u>Food Service</u>	<u>Keys Program</u>	<u>Non-Major Summer Program</u>	
OPERATING REVENUES				
Charges for Services				
Daily Sales				
Reimbursable Programs	\$ 374,801			\$ 374,801
Non-Reimbursable Programs	131,687			131,687
Program Fees	-	\$ 430,840	\$ 14,215	445,055
Total Operating Revenues	506,488	430,840	14,215	951,543
OPERATING EXPENSES				
Salaries and Benefits	313,312	222,274	9,680	545,266
Cost of Sales Reimbursable Programs	259,970			259,970
Cost of Sales Non-Reimbursable Programs	68,841			68,841
Management Fee	22,155			22,155
Other Purchased Services	22,613		-	22,613
Rent		66,000	-	66,000
Supplies and Materials	17,009	20,871	-	37,880
Miscellaneous	11,033			11,033
Depreciation	30,428	-	-	30,428
Total Operating Expenses	745,361	309,145	9,680	1,064,186
Operating Income/(Loss)	(238,873)	121,695	4,535	(112,643)
NONOPERATING REVENUES				
State Sources				
School Lunch Program	11,267			11,267
Federal Sources				
National School Lunch Program	160,307			160,307
Supply Chain Assistance	43,722			43,722
Food Distribution Program	55,740	-	-	55,740
Total Nonoperating Revenues	271,036	-	-	271,036
Change in Net Position	32,163	121,695	4,535	158,393
Net Position, Beginning of Year (Restated)	210,195	414,324	115,598	740,117
Net Position, End of Year	\$ 242,358	536,019	120,133	898,510

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Business -Type Activities Enterprise Funds			
	Food Service	Keys Program	Non-Major Summer Program	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Receipts from Customers	\$ 509,453	\$ 437,445	\$ 14,215	\$ 961,113
Cash Payments for Employees Salaries and Benefits	(313,312)	(222,274)	(9,680)	(545,266)
Cash Payments to Suppliers for Goods and Services	(322,491)	(214,455)	(48,699)	(585,645)
Net Cash Provided by (Used for) Operating Activities	(126,350)	716	(44,164)	(169,798)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Receipts from State and Federal Subsidy Reimbursements	219,879	-	-	219,879
Net Cash Provided by Noncapital Financing Activities	219,879	-	-	219,879
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(114,915)	-	-	(114,915)
Net Cash (Used for) Capital and Related Financing Activities	(114,915)	-	-	(114,915)
Net Increase (Decrease) in Cash and Cash Equivalents	(21,386)	716	(44,164)	(64,834)
Cash and Cash Equivalents, Beginning of Year	313,454	565,184	115,598	994,236
Cash and Cash Equivalents, End of Year	<u>\$ 292,068</u>	<u>\$ 565,900</u>	<u>\$ 71,434</u>	<u>\$ 929,402</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income/(Loss)	<u>\$ (238,873)</u>	<u>\$ 121,695</u>	<u>\$ 4,535</u>	<u>\$ (112,643)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided/(Used) by Operating Activities				
Depreciation	30,428			30,428
Non-Cash Federal Assistance-Food Distribution Program	55,740			55,740
Changes in Assets, Liabilities and Deferred Inflows of Resources				
(Increase) Decrease in Accounts Receivable	(2,330)			(2,330)
(Increase) Decrease in Inventory	5,096			5,096
Increase (Decrease) in Accounts Payable	(69,620)	(2,064)		(71,684)
Increase (Decrease) in Due from Other Funds		(60,520)	(48,699)	(109,219)
Increase (Decrease) in Due to Other Funds	86,590	(65,000)		21,590
Increase in Unearned Revenue	5,295	6,605		11,900
Increase (Decrease) in Deferred Commodities Revenue	1,324	-	-	1,324
Total Adjustments	112,523	(120,979)	(48,699)	(57,155)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (126,350)</u>	<u>\$ 716</u>	<u>\$ (44,164)</u>	<u>\$ (169,798)</u>
Non-Cash Financing Activities				
National School Lunch (Food Distribution)	\$ 57,064			\$ 57,064

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

NOTES TO THE FINANCIAL STATEMENTS

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Hasbrouck Heights Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Hasbrouck Heights Board of Education this includes general operations, food service, before and after school child care and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

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

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

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

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

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

The *keys fund* accounts for the activities of the District's extended before and after school program which provides child care for elementary school students.

The District reports the following non-major proprietary funds which are organized to be self-supporting through user charges:

The *summer program fund* accounts for the activities of the District's summer activities which include music, tennis and basketball programs.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

4. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	20-50
Heavy Equipment	10-20
Office Equipment and Furniture	5-15
Computer Equipment	5-10

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Deferred Outflows/Inflows of Resources

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

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

6. Compensated Absences

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

7. Pensions

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

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

HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. *Financing Agreements*

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

9. *Long-Term Obligations*

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

10. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that was appropriated in the 2024/2025 original budget certified for taxes.

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

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

HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

11. *Fund Balance Policies*

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Fund Balance Policies (Continued)

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

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 2022-2023 and 2023-2024 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. On-Behalf Payments

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2023/2024. Also, during 2023/2024 the Board increased the original budget of the general fund by \$2,239,124 and the special revenue fund by \$1,014,046. The increases were funded by the additional appropriation of unassigned fund balance, capital reserve, maintenance reserve, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of unassigned fund balance of \$200,000, capital reserve of \$190,000 and maintenance reserve of \$358,079 from the general fund.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

B. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Undistributed Expenditure			
Required Maintenance of School Facilities			
Cleaning, Repair and Maintenance	\$701,269	\$762,592	\$61,323
Care and Upkeep of Grounds			
Cleaning, Repair and Maintenance	98,048	254,769	156,723

The above variances were the result of audit adjustments and offset with other available resources.

C. Capital Reserve

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

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

Balance, July 1, 2023		\$	1,317,403
Increased by:			
Interest Earnings	\$	3,000	
Deposits Approved in Board Resolution		<u>500,000</u>	
			<u>503,000</u>
			1,820,403
Decreased by:			
Withdrawals Approved in Board Resolution			<u>190,000</u>
Balance, June 30, 2024		\$	<u>1,630,403</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. \$868,372 of the capital reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

D. Maintenance Reserve

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

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

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

Balance, July 1, 2023		\$	682,431
Increased by:			
Interest Earnings	\$	500	
Deposits Approved by Board Resolution		<u>300,000</u>	
			<u>300,500</u>
			982,931
Decreased by:			
Withdrawals Approved by Resolution			<u>358,079</u>
Balance, June 30, 2024		\$	<u>624,852</u>

The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities. \$200,000 of the maintenance reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures 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 excess fund balance at June 30, 2024 is \$256,441. The total amount of \$256,441 was designated and appropriated in the 2024/2025 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2024, the book value of the Board's deposits was \$2,666,242 and bank and brokerage firm balances of the Board's deposits amounted to \$2,924,096. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	\$ 2,654,294
Uninsured and Collateralized	<u>269,802</u>
	<u>\$ 2,924,096</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2024 the Board's bank balance of \$269,802 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

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

\$ 269,802

Investments

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

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

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

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Property Tax Levy	\$ 3,483,865				\$ 3,483,865
Intergovernmental-					
Federal		\$ 311,145	\$ 3,927,155	\$ 9,657	4,247,957
State	58,419	7,171	69,208	688	135,486
Other	-	-	-	4,797	4,797
Gross Receivables	3,542,284	318,316	3,996,363	15,142	7,872,105
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	<u>\$ 3,542,284</u>	<u>\$ 318,316</u>	<u>\$ 3,996,363</u>	<u>\$ 15,142</u>	<u>\$ 7,872,105</u>

C. Unearned Revenue

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 44,710
Grant Draw Downs for Year-End Encumbrances	38,850
Capital Projects Fund	
Unrealized Project Grants	<u>3,549,236</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 3,632,796</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2023 (Restated)	Increases	Decreases	Balance, June 30, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,058,776			\$ 3,058,776
Construction in Progress	<u>2,923,261</u>	<u>\$ 475,642</u>	<u>\$ (2,895,011)</u>	<u>503,892</u>
Total Capital Assets, Not Being Depreciated	<u>5,982,037</u>	<u>475,642</u>	<u>(2,895,011)</u>	<u>3,562,668</u>
Capital Assets, Being Depreciated:				
Building and Building Improvements	16,209,514	5,372,758		21,582,272
Machinery and Equipment	<u>2,777,835</u>	<u>482,109</u>	<u>-</u>	<u>3,259,944</u>
Total Capital Assets Being Depreciated	<u>18,987,349</u>	<u>5,854,867</u>	<u>-</u>	<u>24,842,216</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(8,449,825)	(975,014)		(9,424,839)
Right to use Leased Equipment	-			-
Machinery and Equipment	<u>(1,696,651)</u>	<u>(366,934)</u>	<u>-</u>	<u>(2,063,585)</u>
Total Accumulated Depreciation	<u>(10,146,476)</u>	<u>(1,341,948)</u>	<u>-</u>	<u>(11,488,424)</u>
Total Capital Assets, Being Depreciated, Net	<u>8,840,873</u>	<u>4,512,919</u>	<u>-</u>	<u>13,353,792</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,822,910</u>	<u>\$ 4,988,561</u>	<u>\$ (2,895,011)</u>	<u>\$ 16,916,460</u>
	Balance, July 1, 2023 (Restated)	Increases	Decreases	Balance, June 30, 2024
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Equipment	\$ 177,749	\$ 114,915	\$ -	\$ 292,664
Total Capital Assets Being Depreciated	<u>177,749</u>	<u>114,915</u>	<u>-</u>	<u>292,664</u>
Less Accumulated Depreciation for:				
Equipment	<u>(177,749)</u>	<u>(30,428)</u>	<u>-</u>	<u>(208,177)</u>
Total Accumulated Depreciation	<u>(177,749)</u>	<u>(30,428)</u>	<u>-</u>	<u>(208,177)</u>
Total Capital Assets, Being Depreciated, Net	<u>-</u>	<u>84,487</u>	<u>-</u>	<u>84,487</u>
Business-Type Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ 84,487</u>	<u>\$ -</u>	<u>\$ 84,487</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction	
Regular	\$ 81,819
Total Instruction	<u>81,819</u>
Support Services	
Student and Instruction Related Services	158,466
General Administration	4,318
School Administration	61,591
Operations and Maintenance of Plant	1,011,803
Transportation	<u>23,951</u>
Total Support Services	<u>1,260,129</u>
Total Depreciation Expense - Governmental Funds	<u>\$ 1,341,948</u>

Business-Type Activities:

Food Service Fund	\$ 30,428
Total Depreciation Expense-Business-Type Activities	<u>\$ 30,428</u>

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Remaining Commitment</u>
Kitchen and Cafeteria Renovations	<u>\$ 102,949</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Food Service Fund	\$ 86,590
Keys Program Fund	General Fund	60,520
Summer Program Fund	General Fund	<u>48,699</u>
Total		<u>\$ 195,809</u>

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

The District expects all interfund balances to be liquidated within one year.

Interfund Transfers

	<u>Transfer In:</u>
	Capital Projects Fund
Transfer Out:	
General Fund	<u>\$ 164,127</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

Capital financing agreements at June 30, 2024 are comprised of the following:

\$860,000, fiscal year 2021 Agreement for the construction of bleachers for a term of 5 years due in an annual principal installment \$174,548 through 2025 interest at 1.3%	\$ 174,548
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**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

\$65,088, fiscal year 2022 Agreement for the acquisition of 9 active panels for a term of 5 years due in annual principal installments of \$12,981 to \$13,688 through 2026 interest at 5.5%	\$ 26,669
\$63,452, fiscal year 2023 Agreement for the acquisition of 10 Promethean Boards for a term of 5 years due in annual principal installments of \$11,883 to \$13,585 through July 2026 interest at 6.92%	38,174
\$31,861, fiscal year 2023 Agreement for the acquisition of 12 security cameras for a term of 5 years due in annual principal installments of \$5,914 to \$6,877 through July, 2026 interest at 7.84%	19,168
\$37,979, fiscal year 2023 Agreement for the acquisition of 4 Promethean Boards for a term of 5 years due in annual principal installments of \$7,112 to \$8,132 through 2026 interest at 6.93%	22,849
\$36,767, fiscal year 2023 Agreement for the acquisition of 12 security cameras for a term of 5 years due in annual principal installments of \$6,842 to \$7,831 through November, 2026 interest at 6.98%	21,993
\$121,998, fiscal year 2024 Agreement for the acquisition of 52 security cameras for a term of 5 years due in annual principal installments of \$21,916 to \$26,298 through July, 2027 interest at 6.26%	96,251
\$274,867, fiscal year 2024 Agreement for the acquisition of 16 copiers for a term of 5 years due in annual principal installments of \$48,770 to \$58,070 through March, 2028 interest at 6.00%	213,319
Total	<u>\$ 612,971</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

Other financing agreements at June 30, 2024 are comprised of the following:

\$192,774, fiscal year 2024 Agreement for
the purchase of 62 desk top computers for a term
of 5 years due in annual principal installments
of \$36,632 to \$42,406 through July 1, 2027
interest at 5.00% \$ 157,887

The maturity schedule of the remaining capital and other financing agreement payments for principal and interest is as follows:

Governmental Activities:

Fiscal Year

Ending June 30,	<u>Capital Agreements</u>		<u>Other Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 289,967	\$ 29,793	\$ 36,632	\$ 7,894	\$ 364,286
2026	122,676	20,264	38,463	6,063	187,466
2027	115,960	12,547	40,386	4,140	173,033
2028	<u>84,368</u>	<u>5,125</u>	<u>42,406</u>	<u>2,120</u>	<u>134,019</u>
Total	<u>\$ 612,971</u>	<u>\$ 67,729</u>	<u>\$ 157,887</u>	<u>\$ 20,217</u>	<u>\$ 858,804</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2024 are comprised of the following issues:

\$1,740,000, 2014 Bonds, due in an annual installment of \$200,000 through August, 2024, interest at 2.50%	\$ 200,000
\$3,895,000, 2021 Bonds, due in annual installments of \$145,000 to \$250,000 through August, 2038 interest at .50% to 2.00%	<u>3,645,000</u>
Total	<u>\$3,845,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 450,000	\$ 64,213	\$ 514,213
2026	250,000	60,400	310,400
2027	250,000	57,900	307,900
2028	250,000	54,775	304,775
2029	250,000	50,400	300,400
2030-2034	1,250,000	177,000	1,427,000
2035-2039	<u>1,145,000</u>	<u>53,050</u>	<u>1,198,050</u>
Total	<u>\$ 3,845,000</u>	<u>\$ 517,738</u>	<u>\$ 4,362,738</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2024 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 87,793,198
Less: Net Debt Issued and Authorized But Not Issued	<u>3,845,000</u>
Remaining Borrowing Power	<u>\$ 83,948,198</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, July 1, 2023	Additions	Reductions	Balance, June 30, 2024	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 4,815,000		\$ 970,000	\$ 3,845,000	\$ 450,000
Add: Original Issue Premium	30,121	-	30,121	-	-
Total Bonds Payable	4,845,121			3,845,000	450,000
Capital Financing Agreements	558,385	\$ 396,865	342,279	612,971	289,967
Other Financing Agreements	88,418	192,774	123,305	157,887	36,632
Leases Payable	120,660		120,660	-	
Compensated Absences Payable	1,173,958	35,219		1,209,177	
Net Pension Liability	4,626,055	309,343	407,696	4,527,702	-
Governmental Activity Long-Term Liabilities	<u>\$ 11,412,597</u>	<u>\$ 934,201</u>	<u>\$ 993,940</u>	<u>\$ 10,352,737</u>	<u>\$ 776,599</u>

For the governmental activities, the liabilities for capital financing agreements, other financing agreements, compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the School Alliance Insurance Fund (SAIF). The Fund is a risk sharing public entity pool, established for the purpose of insuring against various insurance claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

SAIF provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2024, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>		<u>PERS</u>	On-behalf <u>TPAF</u>		<u>DCRP</u>
2024	\$	417,788	\$	5,642,070	\$ 44,266
2023		386,557		5,401,052	40,330
2022		369,940		5,379,051	37,819

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$1,953, \$1,817 and \$1,794, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,171,407 during the fiscal year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$4,527,702 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2023. At June 30, 2023, the District's proportionate share was .03126 percent, which was an increase of .00061 percent from its proportionate share measured as of June 30, 2022 of .03065 percent.

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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$10,092 for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2024 for contributions made subsequent to the measurement date. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 43,291	\$ 18,508
Changes of Assumptions	9,946	274,398
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	20,851	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>243,870</u>	<u>111,629</u>
Total	<u>\$ 317,958</u>	<u>\$ 404,535</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2025	\$ (46,211)
2026	(46,211)
2027	(46,211)
2028	45,496
2029	6,560
Thereafter	<u>-</u>
	<u>\$ (86,577)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 5,894,105</u>	<u>\$ 4,527,702</u>	<u>\$ 3,364,713</u>

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

Pension Plan Fiduciary Net Position

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

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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,633,726 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the net pension liability attributable to the District is \$66,478,200. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2023. At June 30, 2023, the State's share of the net pension liability attributable to the District was .13031 percent, which was an increase of .00146 percent from its proportionate share measured as of June 30, 2022 of .12885 percent.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 78,389,861</u>	<u>\$ 66,478,200</u>	<u>\$ 56,445,750</u>

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

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2024, 2023 and 2022 were \$1,535,565, \$1,418,843 and \$1,256,764, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,026,142. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the OPEB liability attributable to the District is \$54,974,065. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023, the state's share of the OPEB liability attributable to the District was .11075 percent, which was an increase of .00397 percent from its proportionate share measured as of June 30, 2022 of .10678 percent.

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NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

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

Health Care Trend Assumptions

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 54,081,109
Changes Recognized for the Fiscal Year:	
Service Cost	2,444,340
Interest on the Total OPEB Liability	1,936,119
Differences Between Expected and Actual Experience	(2,138,687)
Changes of Assumptions	110,805
Gross Benefit Payments	(1,509,237)
Contributions from the Member	49,616
Net Changes	\$ 892,956
Balance, June 30, 2023 Measurement Date	\$ 54,974,065

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 64,447,653</u>	<u>\$ 54,974,065</u>	<u>\$ 47,367,873</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 45,636,949</u>	<u>\$ 54,974,065</u>	<u>\$ 67,191,705</u>

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

F. Subsequent Events

Appropriation of Fund Balance

On July 25, 2024 the Board approved the appropriation of \$182,970 of General Fund unassigned fund balance and \$161,595 of General Fund Capital Reserves to the 2024/2025 budget.

NOTE 5 RESTATEMENT

Governmental Activities

The financial statements of the Governmental Activities as of June 30, 2023 have been restated to reflect the capital asset revaluation. The effect of this restatement is to decrease capital assets by \$1,014,411 and decrease accumulated depreciation by \$495,098 with a net effect to net position of a decrease of \$519,313 from \$9,222,118 as previously reported to \$8,702,805 as of June 30, 2023.

Business-Type Activities and Enterprise Funds

The financial statements of the Business-Type Activities and Enterprise Funds as of June 30, 2023 have been restated to reflect the capital asset revaluation. The effect of this restatement is to increase Enterprise Fund capital assets by \$80,223 and increase Enterprise Fund accumulated depreciation by \$115,055 with a net effect to net position of a decrease of \$34,832 from \$774,949 as previously reported to \$740,117 as of June 30, 2023.

NOTE 6 RECENT HEALTHCARE DEVELOPMENTS

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

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

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$2,146,500 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 33,144,765		\$ 33,144,765	\$ 33,144,765	
Tuition From Individuals				2,750	\$ 2,750
Interest on Investments	109,626		109,626	241,831	132,205
Interest Earned on Capital Reserve Funds	3,000		3,000	3,000	-
Interest Earned on Maintenance Reserve Funds	500		500	500	-
Unrestricted Miscellaneous Revenues	236,893	-	236,893	286,849	49,956
Total Local	33,494,784	-	33,494,784	33,679,695	184,911
State Sources					
Transportation Aid	143,130		143,130	143,130	
Special Education Aid	1,613,865		1,613,865	1,613,865	
Security Aid	185,508		185,508	185,508	
Equalization Aid	1,438,890		1,438,890	1,438,890	
Extraordinary Aid	164,884		164,884	347,854	182,970
On Behalf TPAF (Non Budgeted)					
Pension Contribution				5,578,451	5,578,451
NCGI Pension Contribution				63,619	63,619
Post Retirement Medical Contributions				1,535,565	1,535,565
Long Term Disability				1,953	1,953
Social Security Contributions	-	-	-	1,171,407	1,171,407
Total State	3,546,277	-	3,546,277	12,080,242	8,533,965
Federal Sources					
Medicaid Reimbursement	32,206	-	32,206	27,319	(4,887)
Total Federal	32,206	-	32,206	27,319	(4,887)
Total Revenues	37,073,267	-	37,073,267	45,787,256	8,713,989
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Preschool	76,500	\$ (13,587)	62,913	62,913	-
Kindergarten	462,920	(89,819)	373,101	373,101	-
Grades 1-5	3,361,872	47,593	3,409,465	3,407,275	2,190
Grades 6-8	2,348,699	12,185	2,360,884	2,360,884	-
Grades 9-12	3,469,522	240,063	3,709,585	3,709,585	-
Instruction - Home					
Purchased Professional/Educational Services		9,000	9,000	7,525	1,475
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	53,670	70,311	123,981	123,981	-
Purchased Professional/Educational Services	127,750	(91,953)	35,797	35,797	-
Purchased Technical Services	350,863	(158,651)	192,212	184,646	7,566
Other Purchased Services	377,914	27,692	405,606	405,606	-
General Supplies	231,520	58,150	289,670	277,737	11,933
General Supplies (Non-Budgeted Lease Purchase)				192,774	(192,774)
Textbooks	49,000	96,820	145,820	143,540	2,280
Other Objects	16,000	(2,540)	13,460	5,585	7,875
Total Regular Programs	10,926,230	205,264	11,131,494	11,290,949	(159,455)
Learning and / or Language Disabled					
Salaries of Teachers	144,692	(4,500)	140,192	109,308	30,884
Other Salaries for Instruction	105,340	10,000	115,340	115,340	-
General Supplies	1,000	-	1,000	323	677
Textbooks	500	-	500	-	500
Total Learning and/or Language Disabled	251,532	5,500	257,032	224,971	32,061

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 2,495,316	\$ (134,022)	\$ 2,361,294	\$ 2,324,996	\$ 36,298
Other Salaries for Instruction	651,370	83,332	734,702	640,196	94,506
General Supplies	8,000	-	8,000	4,555	3,445
Total Resource Room/Resource Center	3,154,686	(50,690)	3,103,996	2,969,747	134,249
Preschool Disabilities - Full-Time					
Salaries of Teachers	179,845	7,580	187,425	185,512	1,913
Other Salaries for Instruction	53,670	23,517	77,187	77,187	-
General Supplies	2,000	-	2,000	1,220	780
Total Preschool Disabilities - Full-Time	235,515	31,097	266,612	263,919	2,693
Home Instruction					
Salaries of Teachers	45,000	(6,328)	38,672	37,915	757
Total Home Instruction	45,000	(6,328)	38,672	37,915	757
Total Special Education	3,686,733	(20,421)	3,666,312	3,496,552	169,760
Basic Skills/Remedial					
Salaries of Teachers	173,445	-	173,445	115,690	57,755
General Supplies	500	-	500	-	500
Total Basic Skills/Remedial	173,945	-	173,945	115,690	58,255
Bilingual Education					
Salaries of Teachers	225,230	20,501	245,731	245,731	-
General Supplies	1,500	(80)	1,420	1,019	401
Textbooks	200	-	200	-	200
Total Bilingual Education	226,930	20,421	247,351	246,750	601
School Sponsored Co/Extra Curricular Activities					
Salaries	260,000	34,303	294,303	294,303	-
Other Purchased Services		11,000	11,000	10,317	683
Supplies and Materials	16,000	535	16,535	14,011	2,524
Other Objects	9,000	(1,515)	7,485	7,245	240
Total School Sponsored Co/Extra Curricular Activities	285,000	44,323	329,323	325,876	3,447
School Sponsored Athletics					
Salaries	373,786	12,159	385,945	385,945	-
Purchased Services	67,000	484	67,484	67,395	89
Supplies and Materials	105,000	24,325	129,325	128,663	662
Other Objects	40,500	(3,000)	37,500	37,153	347
Total School Sponsored Athletics	586,286	33,968	620,254	619,156	1,098
Summer School Instruction - Extended School Year					
Salaries of Teachers	30,000	(2,927)	27,073	27,073	-
Other Salaries for Instruction	25,000	(3,111)	21,889	21,889	-
Purchased Professional - Educational Svices	25,000	(25,000)	-	-	-
General Supplies	500	(500)	-	-	-
Total Summer School Instruction - Extended School Year	80,500	(31,538)	48,962	48,962	-
Total Other Instruction	1,352,661	67,174	1,419,835	1,356,434	63,401
Total Instruction	15,965,624	252,017	16,217,641	16,143,935	73,706

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	\$ 502,764	\$ 171,636	\$ 674,400	\$ 562,770	\$ 111,630
Tuition to County Voc. School District-Regular	715,464	(258,570)	456,894	413,506	43,388
Tuition to County Voc. School District-Special	368,550	169,993	538,543	538,543	-
Tuition to CSSD and Regional Day Schools	568,362	(38,112)	530,250	519,909	10,341
Tuition to Priv. Sch. for the Disabled - w/i state	892,693	(319,884)	572,809	427,064	145,745
Tuition - State Facilities	18,414	-	18,414	18,414	-
Total Undistributed Expenditures - Instruction	3,066,247	(274,937)	2,791,310	2,480,206	311,104
Attendance and Social Work					
Salaries	136,518	-	136,518	135,506	1,012
Total Attendance and Social Work	136,518	-	136,518	135,506	1,012
Health Services					
Salaries	356,545	13,835	370,380	284,945	85,435
Purchased Professional and Technical Services	60,000	(41,194)	18,806	18,806	-
Supplies and Materials	11,000	(48)	10,952	7,169	3,783
Other Objects	3,500	470	3,970	971	2,999
Total Health Services	431,045	(26,937)	404,108	311,891	92,217
Speech, OT, PT & Related Services					
Salaries	230,240	1,065	231,305	231,305	-
Purchased Professional-Educational Services	697,700	34,357	732,057	699,967	32,090
Supplies and Materials	6,000	812	6,812	5,318	1,494
Other Objects	1,000	-	1,000	-	1,000
Total Speech, OT, PT & Related Services	934,940	36,234	971,174	936,590	34,584
Other Support Services - Students - Extra Services					
Salaries	454,825	(120,170)	334,655	318,741	15,914
Purchased Professional/Educational Services	293,337	3,421	296,758	207,838	88,920
Total Other Supp.Serv. Student - Extra Services	748,162	(116,749)	631,413	526,579	104,834
Guidance					
Salaries of Other Professional Staff	775,172	64,020	839,192	839,192	-
Other Purchased Services	750	(520)	230		230
Supplies and Materials	750	725	1,475	1,082	393
Other Objects	1,250	1,930	3,180	2,570	610
Total Guidance	777,922	66,155	844,077	842,844	1,233
Child Study Teams					
Salaries of Other Professional Staff	894,350	25,897	920,247	919,764	483
Salaries of Secretarial & Clerical Assistants	121,486	6,298	127,784	124,249	3,535
Other Purchased Services	4,000	(774)	3,226	310	2,916
Supplies and Materials	7,000	-	7,000	5,840	1,160
Other Objects	2,000	-	2,000	1,991	9
Total Child Study Teams	1,028,836	31,421	1,060,257	1,052,154	8,103
Other Support Services - Improvement of Instructional Services					
Salaries of Other Professional Staff	265,682	(32,500)	233,182	209,502	23,680
Supplies and Materials	3,000	11,750	14,750	14,531	219
Other Objects	2,500	250	2,750	2,420	330
Total Other Support Services - Improvement of Inst. Svcs.	271,182	(20,500)	250,682	226,453	24,229

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Educational Media/School Library					
Salaries	\$ 260,110	\$ (420)	\$ 259,690	\$ 250,124	\$ 9,566
Salaries of Technology Coordinator	182,850	420	183,270	183,270	-
Other Purchased Services	6,000	(6,000)			-
Supplies and Materials	13,000	5,500	18,500	12,840	5,660
Other Objects	700	500	1,200	518	682
Total Educational Media/School Library	462,660	-	462,660	446,752	15,908
Instructional Staff Training Services					
Other Purchased Services	8,000	-	8,000	2,076	5,924
Total Instructional Staff Training Services	8,000	-	8,000	2,076	5,924
General Administration					
Salaries	316,149	(63,300)	252,849	252,849	-
Legal Services	65,000	(2,500)	62,500	49,654	12,846
Audit Fees	40,500	5,758	46,258	46,258	-
Other Purchased Professional Service	20,000	16,435	36,435	34,625	1,810
Purchased Technical Services	16,500	2,829	19,329	18,002	1,327
Communications/Telephone	75,975	(7,870)	68,105	66,402	1,703
BOE Other Purchased Services	2,500	9,000	11,500	8,196	3,304
Miscellaneous Purchased Services	67,306	286	67,592	67,592	-
General Supplies	7,000	5,707	12,707	6,269	6,438
Miscellaneous Expenditures	17,208	300	17,508	16,409	1,099
BOE Membership Dues and Fees	15,300	10,000	25,300	22,405	2,895
Total Support Services General Administration	643,438	(23,355)	620,083	588,661	31,422
School Administration					
Salaries of Principals/Asst. Principals/Program Directors	910,712	(2,808)	907,904	907,754	150
Salaries of Other Professional Staff	151,759	-	151,759	151,759	
Salaries of Secretarial and Clerical Assistants	272,537	33,731	306,268	301,523	4,745
Supplies and Materials	40,000	(1,835)	38,165	32,642	5,523
Other Objects	16,000	6,500	22,500	19,473	3,027
Total Support Services School Administration	1,391,008	35,588	1,426,596	1,413,151	13,445
Central Services					
Salaries	413,700	(38,843)	374,857	373,888	969
Purchased Technical Services	16,500	-	16,500	10,385	6,115
Misc. Purchased Services	500	-	500	250	250
Supplies and Materials	10,000	250	10,250	6,971	3,279
Miscellaneous Expenditures	3,000	-	3,000	2,223	777
Total Central Services	443,700	(38,593)	405,107	393,717	11,390
Admin. Info. Technology					
Salaries	110,463	(20,657)	89,806	70,997	18,809
Purchased Technical Services	4,000	-	4,000		4,000
Other Purchased Services	16,000	-	16,000		16,000
Supplies and Materials	44,925	221	45,146	17,849	27,297
Other Objects	500	-	500	-	500
Total Admin. Info. Technology	175,888	(20,436)	155,452	88,846	66,606

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Required Maintenance for School Facilities					
Salaries	\$ 130,066	\$ (2,409)	\$ 127,657	\$ 127,657	-
Cleaning, Repair and Maintenance	210,000	491,269	701,269	762,592	\$ (61,323)
General Supplies	15,000	131	15,131	15,131	-
Other Objects	500	(375)	125	125	-
Total Required Maintenance for School Facilities	<u>355,566</u>	<u>488,616</u>	<u>844,182</u>	<u>905,505</u>	<u>(61,323)</u>
Custodial Services					
Salaries	993,391	55,439	1,048,830	1,048,830	-
Salaries of Non-Instructional Aides	174,713	46,080	220,793	220,793	-
Cleaning, Repair and Maintenance	150,000	5,416	155,416	148,570	6,846
Other Purchased Property Services	55,000	(18,430)	36,570	36,337	233
Insurance	270,590	7,500	278,090	278,090	-
Other Purchased Services	22,000	(14,180)	7,820	7,820	-
General Supplies	175,000	4,313	179,313	179,313	-
Energy (Natural Gas)	120,000	(69,465)	50,535	47,392	3,143
Energy (Electricity)	240,000	83,131	323,131	323,131	-
Other Objects	19,200	(2,381)	16,819	16,819	-
Total Custodial Services	<u>2,219,894</u>	<u>97,423</u>	<u>2,317,317</u>	<u>2,307,095</u>	<u>10,222</u>
Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance	92,000	6,046	98,046	254,769	(156,723)
General Supplies	1,000	3,834	4,834	4,833	1
Other Objects	250	(205)	45	-	45
Total Care & Upkeep of Grounds	<u>93,250</u>	<u>9,675</u>	<u>102,925</u>	<u>259,602</u>	<u>(156,677)</u>
Security					
Salaries	95,018	49,630	144,648	144,648	-
Purchased Professional and Technical Services	140,000	82,750	222,750	222,750	-
Cleaning, Repair and Maintenance	103,641	1,941	105,582	105,582	-
General Supplies	1,000	24,471	25,471	25,471	-
Other Objects	250	-	250	200	50
Total Security	<u>339,909</u>	<u>158,792</u>	<u>498,701</u>	<u>498,651</u>	<u>50</u>
Student Transportation Services					
Sal. For Pupil Trans (Between Home & School) - Regular	40,000	25,000	65,000	61,072	3,928
Sal. For Pupil Trans (Between Home & School) - Other	5,000	(5,000)	-	-	-
Cleaning, Repair and Maintenance Services	15,000	-	15,000	12,243	2,757
Contracted Services (Between Home and School) - Joint Agreements	212,366	70,578	282,944	282,944	-
Contracted Services (Other Than Between Home and School) - Vendors	80,000	-	80,000	69,235	10,765
Contracted Services (Special Ed. Students) - Joint Agreements	818,890	(90,528)	728,362	716,609	11,753
Contracted Services-Aid In Lieu of Payments- Charter Schools	13,685	-	13,685	9,177	4,508
Supplies -Transportation	10,000	-	10,000	6,242	3,758
Other Objects	1,000	-	1,000	257	743
Total Student Transportation Services	<u>1,195,941</u>	<u>50</u>	<u>1,195,991</u>	<u>1,157,779</u>	<u>38,212</u>
Unallocated Benefits- Employee Benefits					
Social Security Contributions	406,000	13,001	419,001	419,001	-
Other Retirement Contributions	457,601	-	457,601	455,988	1,613
Unemployment Compensation	30,000	-	30,000	-	30,000
Workmen's Compensation	161,530	(6,000)	155,530	149,373	6,157
Health Benefits	4,978,002	(241,684)	4,736,318	4,584,570	151,748
Tuition Reimbursement	40,000	-	40,000	31,922	8,078
Unused Sick Payments to Terminated Staff	-	42,000	42,000	29,375	12,625
Total Unallocated Benefits	<u>6,073,133</u>	<u>(192,683)</u>	<u>5,880,450</u>	<u>5,670,229</u>	<u>210,221</u>
Interest on Deposit Maintenance Reserve	500	-	500	-	500

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
On Behalf TPAF (Non Budgeted)					
Pension Contribution				\$ 5,578,451	\$ (5,578,451)
NCGI Pension Contribution				63,619	(63,619)
Post Retirement Medical Contributions				1,535,565	(1,535,565)
Long Term Disability Insurance				1,953	(1,953)
Social Security Contributions	-	-	-	1,171,407	(1,171,407)
Total On-Behalf TPAF	-	-	-	8,350,995	(8,350,995)
Total Undistributed Expenditures	\$ 20,797,739	\$ 209,764	\$ 21,007,503	28,595,282	(7,587,779)
Total Current Expenditures	36,763,363	461,781	37,225,144	44,739,217	(7,514,073)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures					
Athletic Equipment		44,411	44,411		44,411
Admin Info Technology		15,400	15,400	10,780	4,620
Required Maintenance for School Facilities	-	58,741	58,741	58,741	-
Total Equipment	-	118,552	118,552	69,521	49,031
Facilities Acquisition and Construction Services					
Construction Services	349,147	1,487,779	1,836,926	1,733,976	102,950
Lease Purchase Agreement - Principal		-			
Assessment for Debt Service	6,858	-	6,858	6,858	-
Total Facilities Acquisition and Construction Services	356,005	1,487,779	1,843,784	1,740,834	102,950
Interest Deposit on Capital Reserce	3,000	-	3,000	-	3,000
Assets Acquired Under Capital Financing Agreements (Nonbudgeted)					
Equipment					
School Administration	-	-	-	274,867	(274,867)
Security	-	-	-	121,998	(121,998)
Total Assets Acquired Under Capital Leases	-	-	-	396,865	(396,865)
Total Capital Outlay	359,005	1,606,331	1,965,336	2,207,220	(241,884)
Transfer of Funds to Charter Schools	150,899	6,885	157,784	90,222	67,562
Total General Fund Expenditures	37,273,267	2,074,997	39,348,264	47,036,659	(7,688,395)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(200,000)	(2,074,997)	(2,274,997)	(1,249,403)	1,025,594
Other Financing Sources (Uses)					
Operating Transfers Out:					
Capital Financing Agreements				589,639	589,639
Maintenance Reserve Transfer to Capital Projects Fund	-	(164,127)	(164,127)	(164,127)	-
Total Other Financing Sources (Uses)	-	(164,127)	(164,127)	425,512	589,639
Net Change in Fund Balances	(200,000)	(2,239,124)	(2,439,124)	(823,891)	1,615,233
Fund Balance, Beginning of Year	4,946,185	-	4,946,185	4,946,185	-
Fund Balance, End of Year	\$ 4,746,185	\$ (2,239,124)	\$ 2,507,061	\$ 4,122,294	\$ 1,615,233

HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Recapitulation of Fund Balance					
Restricted Fund Balance					
Excess Surplus Designated for Subsequent Year's Expenditures				\$ 256,441	
Capital Reserve				762,031	
Capital Reserve Designated for Subsequent Year's Expenditures				868,372	
Maintenance Reserve				424,852	
Maintenance Reserve Designated for Subsequent Year's Expenditures				200,000	
Committed Fund Balance					
Year End Encumbrances				102,949	
Assigned Fund Balance					
Year End Encumbrances				84,654	
Designated for Subsequent Year's Expenditures				613,256	
Unassigned Fund Balance				<u>809,739</u>	
 Fund Balance - Budgetary Basis				 4,122,294	
 Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Revenue Not Recognized on GAAP Basis				<u>(651,295)</u>	
 Fund Balance Per Governmental Funds (GAAP)				 <u>\$ 3,470,999</u>	

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-2

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
State Sources	\$ 257,178	\$ 217,397	\$ 474,575	\$ 353,059	\$ (121,516)
Federal Sources	1,490,358	646,569	2,136,927	1,473,709	(663,218)
Local Sources	<u>67,500</u>	<u>150,080</u>	<u>217,580</u>	<u>234,579</u>	<u>16,999</u>
Total Revenues	<u>1,815,036</u>	<u>1,014,046</u>	<u>2,829,082</u>	<u>2,061,347</u>	<u>(767,735)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	183,717	20,997	204,714	132,518	72,196
Purchased Professional and Technical Svcs.	10,000	161,433	171,433	83,160	88,273
Purchased Professional/Educational Svcs.	130,405	102,671	233,076	196,642	36,434
Tuition	454,658	59,116	513,774	490,377	23,397
General Supplies	167,016	258,649	425,665	299,167	126,498
Textbooks	15,470	197	15,667	15,330	337
School Sponsored Co-Curricular	65,000	147,035	212,035	212,035	-
Other Objects	<u>2,500</u>	<u>3,677</u>	<u>6,177</u>	<u>3,677</u>	<u>2,500</u>
Total Instruction	<u>1,028,766</u>	<u>753,775</u>	<u>1,782,541</u>	<u>1,432,906</u>	<u>349,635</u>
Support Services					
Salaries of Teachers	24,245	6,267	30,512	30,512	-
Personnel Services - Employee Benefits	77,947	88,490	166,437	104,954	61,483
Purchased Professional Educational Services	27,698	185,618	213,316	49,750	163,566
Purchased Professional and Technical Svcs.	459,107	(78,061)	381,046	307,999	73,047
Other Purchased Services	22,292	70,385	92,677	33,542	59,135
Scholarships (Non-Budget)		3,045	3,045	3,045	-
Supplies and Materials	269	704	973	46	927
Other Objects	<u>-</u>	<u>1,919</u>	<u>1,919</u>	<u>1,919</u>	<u>-</u>
Total Support Services	<u>611,558</u>	<u>278,367</u>	<u>889,925</u>	<u>531,767</u>	<u>358,158</u>
Facilities Acquisition and Construction					
Buildings	149,712	106	149,818	70,377	79,441
Non-Instructional Equipment	<u>25,000</u>	<u>(18,202)</u>	<u>6,798</u>	<u>6,798</u>	<u>-</u>
Total Facilities Acquisition and Construction	<u>174,712</u>	<u>(18,096)</u>	<u>156,616</u>	<u>77,175</u>	<u>79,441</u>
Total Expenditures	<u>1,815,036</u>	<u>1,014,046</u>	<u>2,829,082</u>	<u>2,041,848</u>	<u>787,234</u>
Excess of Revenues Over Expenditures	-	-	-	19,499	19,499
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,236</u>	<u>20,714</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 224,735</u>	<u>\$ 40,213</u>
Recapitulation of Fund Balance					
Restricted					
Scholarships				\$ 57,785	
Student Activities				<u>166,950</u>	
				<u>\$ 224,735</u>	

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
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 fund there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1, C-2)	\$ 45,787,256	\$ 2,061,347
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purposes not recognized for budgetary statements (2022/2023 State Aid)	718,332	
State Aid payments recognized for budgetary purpose not recognized for GAAP statements (2023/2024 State Aid)	(651,295)	
Grant accounting budgetary basis differs from GAAP in that revenue is recognized.		
Encumbrances - June 30, 2024		(38,850)
Encumbrances - June 30, 2023	<u>-</u>	<u>219,582</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 45,854,293</u>	<u>\$ 2,242,079</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 47,036,659	\$ 2,041,848
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances - June 30, 2024		(38,850)
Encumbrances - June 30, 2023	<u>-</u>	<u>219,582</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 47,036,659</u>	<u>\$ 2,222,580</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**HASBROUCK HEIGHTS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Ten Fiscal Years*
(Dollar amounts in thousands)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0.03126%	0.03065%	0.03159%	0.03030%	0.02939%	0.02987%	0.02997%	0.02891%	0.03038%	0.03166%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 4,527,702	\$ 4,626,055	\$ 3,742,151	\$ 4,940,441	\$ 5,296,056	\$ 5,881,036	\$ 6,976,209	\$ 8,561,536	\$ 6,820,001	\$ 4,642,698
District's Covered-Employee Payroll	\$ 2,393,344	\$ 2,374,956	\$ 2,318,711	\$ 2,288,484	\$ 2,168,360	\$ 2,086,600	\$ 2,084,989	\$ 2,023,905	\$ 2,125,036	\$ 2,023,905
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0.00%	0.00%	161.39%	215.88%	244.24%	281.85%	334.59%	423.02%	320.94%	229.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.59%	48.01%	40.14%	47.93%	48.52%

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

**Last Ten Fiscal Years
(Dollar amounts in thousands)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 417,788	\$ 386,557	\$ 369,940	\$ 331,420	\$ 285,901	\$ 297,099	\$ 281,227	\$ 277,627	\$ 261,198	\$ 260,972
Contributions in Relation to the Contractually Required Contribution	<u>417,788</u>	<u>386,557</u>	<u>369,940</u>	<u>331,420</u>	<u>285,901</u>	<u>297,099</u>	<u>281,227</u>	<u>277,627</u>	<u>261,198</u>	<u>260,972</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 2,314,625	\$ 2,393,344	\$ 2,374,956	\$ 2,318,711	\$ 2,288,484	\$ 2,168,360	\$ 2,086,600	\$ 2,084,989	\$ 2,023,905	\$ 2,125,036
Contributions as a Percentage of Covered-Employee Payroll	18.05%	16.15%	15.58%	14.29%	12.49%	13.70%	13.48%	13.32%	12.91%	12.28%

**HASBROUCK HEIGHTS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*
(Dollar amounts in thousands)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	\$ 66,500,574	\$ 66,478,200	\$ 60,944,416	\$ 83,064,868	\$ 77,757,245	\$ 81,320,960	\$ 86,040,719	\$ 94,393,812	\$ 77,495,161	\$ 61,888,404
District's Covered-Employee Payroll	\$ 15,763,635	\$ 15,290,121	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	421.86%	434.78%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.71%	33.64%

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Change of Benefit Terms: None.

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY**

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Seven Years*

	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 2,444,340	\$ 3,112,783	\$ 3,469,577	\$ 1,922,036	\$ 1,886,773	\$ 2,124,270	\$ 2,565,258
Interest on the Total OPEB Liability	1,936,119	1,433,209	1,659,722	1,579,740	1,920,040	1,957,068	1,683,841
Differences Between Expected and Actual Experience	(2,138,687)	1,436,441	(10,983,937)	12,006,813	(7,719,599)	(2,069,920)	
Changes of Assumptions	110,805	(14,507,743)	63,122	12,988,457	653,187	(5,551,036)	(7,007,505)
Changes of Benefit Terms			(68,099)				
Gross Benefit Payments	(1,509,237)	(1,419,636)	(1,307,396)	(1,237,881)	(1,344,787)	(1,293,475)	(1,231,329)
Contribution from the Member	49,616	45,543	42,431	37,520	39,863	44,705	45,341
Net Change in Total OPEB Liability	892,956	(9,899,403)	(7,124,580)	27,296,685	(4,564,523)	(4,788,388)	(3,944,394)
Total OPEB Liability - Beginning of Year	54,081,109	63,980,512	71,105,092	43,808,407	48,372,930	53,161,318	57,105,712
Total OPEB Liability - End of Year	<u>\$ 54,974,065</u>	<u>\$ 54,081,109</u>	<u>\$ 63,980,512</u>	<u>\$ 71,105,092</u>	<u>\$ 43,808,407</u>	<u>\$ 48,372,930</u>	<u>\$ 53,161,318</u>
District's Proportionate Share	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share	<u>\$ 54,974,065</u>	<u>\$ 54,081,109</u>	<u>\$ 63,980,512</u>	<u>\$ 71,105,092</u>	<u>\$ 43,808,407</u>	<u>\$ 48,372,930</u>	<u>\$ 53,161,318</u>
Total OPEB Liability - End of Year	<u>\$ 54,974,065</u>	<u>\$ 54,081,109</u>	<u>\$ 63,980,512</u>	<u>\$ 71,105,092</u>	<u>\$ 43,808,407</u>	<u>\$ 48,372,930</u>	<u>\$ 53,161,318</u>
Covered-Employee Payroll	\$ 18,156,979	\$ 17,665,077	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a Percentage of Covered-Employee Payroll:	302.77%	306.15%					

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

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

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

EXHIBIT E-1

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Non Public Chapter 192</u>										
	<u>Nonpublic Textbooks</u>	<u>Nonpublic Nursing</u>	<u>Nonpublic Technology</u>	<u>Nonpublic Security Aid</u>	<u>Compensatory Education</u>	<u>Nonpublic ESL</u>	<u>Nonpublic Home Instr.</u>	<u>Nonpublic Teach Stem</u>	<u>Total Exhibit E-1a</u>	<u>Total Exhibit E-1b</u>	<u>Total</u>
REVENUES											
Intergovernmental											
State	\$ 15,330	\$ 32,520	\$ 12,304	\$ 55,555	\$ 128,212	\$ 7,508	\$ 1,291	\$ 19,470	\$ 80,869	-	\$ 353,059
Federal									784,172	\$ 689,537	1,473,709
Local	-	-	-	-	-	-	-	-	-	234,579	234,579
Total Revenues	\$ 15,330	\$ 32,520	\$ 12,304	\$ 55,555	\$ 128,212	\$ 7,508	\$ 1,291	\$ 19,470	\$ 865,041	\$ 924,116	\$ 2,061,347
EXPENDITURES											
Instruction											
Salaries of Teachers								\$ 19,470	\$ 81,078	\$ 31,970	\$ 132,518
Purchased Professional and Technical Svcs.									30,964	52,196	83,160
Purchased Professional/Educational Services			\$ 12,304		\$ 128,212	\$ 7,508	\$ 1,291		47,327	-	196,642
Tuition									490,377	-	490,377
General Supplies									78,992	220,175	299,167
Textbooks	\$ 15,330								-	-	15,330
School Sponsored Co-Curricular									-	212,035	212,035
Other Objects	-	-	-	-	-	-	-	-	3,677	-	3,677
Total Instruction	15,330	-	12,304	-	128,212	7,508	1,291	19,470	732,415	516,376	1,432,906
Support Services											
Salaries of Teachers		\$ 30,512							-	-	30,512
Personnel Services - Employee Benefits		2,008							37,284	65,662	104,954
Purchased Professional Educational Services									49,750	-	49,750
Purchased Professional and Technical Svcs.				\$ 55,555					10,085	242,359	307,999
Other Purchased Services									33,542	-	33,542
Scholarships									-	3,045	3,045
Supplies and Materials									46	-	46
Other Objects	-	-	-	-	-	-	-	-	1,919	-	1,919
Total Support Services	-	32,520	-	55,555	-	-	-	-	132,626	311,066	531,767
Facilities and Construction Services											
Buildings									-	70,377	70,377
Instructional Equipment									-	-	-
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	6,798	6,798
Total Facilities and Construction Svcs	-	-	-	-	-	-	-	-	-	77,175	77,175
Total Expenditures	15,330	32,520	12,304	55,555	128,212	7,508	1,291	19,470	865,041	904,617	2,041,848
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	19,499	19,499
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	205,236	205,236
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224,735	\$ 224,735

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	IDEA Basic Part B	IDEA Preschool	ARP IDEA Basic	ARP IDEA Preschool	Title I Part A	Title IIA	Title III	Title III - Imm	Title IV	Nonpublic Chapter 193			Total E-1a
										Supplementary Instruction	Examination and Classification	Corrective Speech	
REVENUES													
Intergovernmental													
State										\$ 12,638	\$ 33,542	\$ 34,689	\$ 80,869
Federal	\$ 500,993	\$ 26,484	\$ 41,664	\$ 7,708	\$ 143,711	\$ 13,950	\$ 22,437	\$ 10,272	\$ 16,953	-	-	-	784,172
Local	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 500,993	\$ 26,484	\$ 41,664	\$ 7,708	\$ 143,711	\$ 13,950	\$ 22,437	\$ 10,272	\$ 16,953	\$ 12,638	\$ 33,542	\$ 34,689	\$ 865,041
EXPENDITURES													
Instruction													
Salaries of Teachers					\$ 77,930			\$ 3,148					\$ 81,078
Purchased Professional and Technical Svcs.			\$ 29,664			\$ 1,300							30,964
Purchased Professional/Educational Services										\$ 12,638		\$ 34,689	47,327
Tuition	\$ 463,893	\$ 26,484											490,377
General Supplies		-	12,000	\$ 7,708	28,802		\$ 9,629	3,900	\$ 16,953				78,992
Textbooks													-
School Sponsored Co-Curricular													-
Other Objects	-	-	-	-	-	-	1,677	2,000	-	-	-	-	3,677
Total Instruction	463,893	26,484	41,664	7,708	106,732	1,300	11,306	9,048	16,953	12,638	-	34,689	732,415
Support Services													
Salaries of Teachers													-
Personnel Services - Employee Benefits					36,979			305					37,284
Purchased Professional Educational Services	37,100					12,650							49,750
Purchased Professional and Technical Svcs.							10,085						10,085
Other Purchased Services											\$ 33,542		33,542
Scholarships													-
Supplies and Materials							46						46
Other Objects	-	-	-	-	-	-	1,000	919	-	-	-	-	1,919
Total Support Services	37,100	-	-	-	36,979	12,650	11,131	1,224	-	-	33,542	-	132,626
Facilities and Construction Services													
Buildings													-
Instructional Equipment													-
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Facilities and Construction Svcs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	500,993	26,484	41,664	7,708	143,711	13,950	22,437	10,272	16,953	12,638	33,542	34,689	865,041
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HASBROUCK HEIGHTS BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	ESSER II		ESSER III					
	CRRSA ESSER II	CRRSA Learning Acceleration	ARP ESSER III	ARP Accelerated Learning	ACSERS	Scholarships	Student Activity	Total E-1b
REVENUES								
Intergovernmental								
State								-
Federal	\$ 1,399	\$ 16,685	\$ 472,994	\$ 146,263	\$ 52,196			\$ 689,537
Local	-	-	-	-	-	\$ 1,930	\$ 232,649	234,579
Total Revenues	\$ 1,399	\$ 16,685	\$ 472,994	\$ 146,263	\$ 52,196	\$ 1,930	\$ 232,649	\$ 924,116
EXPENDITURES								
Instruction								
Salaries of Teachers	-		\$ 31,970					\$ 31,970
Purchased Professional and Technical Svcs.					\$ 52,196			52,196
Tuition								-
General Supplies		\$ 10,891	63,021	\$ 146,263				220,175
Textbooks								-
School Sponsored Co-Curricular							\$ 212,035	212,035
Other Objects	-	-	-	-	-	-	-	-
Total Instruction	-	10,891	94,991	146,263	52,196	-	212,035	516,376
Support Services								
Salaries of Teachers								-
Personnel Services - Employee Benefits			65,662					65,662
Personnel Services - Other Employee Benefits								-
Purchased Professional Educational Services								-
Purchased Professional and Technical Svcs.	\$ 1,399	5,794	235,166					242,359
Other Purchased Services								-
Scholarships						\$ 3,045		3,045
Supplies and Materials	-	-	-	-	-	-	-	-
Total Support Services	1,399	5,794	300,828	-	-	3,045	-	311,066
Facilities and Construction Services								
Buildings			70,377					70,377
Instructional Equipment								-
Non-Instructional Equipment	-	-	6,798	-	-	-	-	6,798
Total Facilities and Construction Svcs	-	-	77,175	-	-	-	-	77,175
Total Expenditures	1,399	16,685	472,994	146,263	52,196	3,045	212,035	904,617
Fund Balance, July 1	-	-	-	-	-	58,900	146,336	205,236
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,785	\$ 166,950	\$ 224,735

CAPITAL PROJECTS FUND

EXHIBIT F-1

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue/Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance, June 30, 2024</u>
		<u>Prior Year</u>	<u>Current Year</u>	
Mechanical Upgrades - All Schools	\$ 6,664,781	\$ 6,610,476		\$ 54,305
2021 Bleacher Project	2,241,089	1,433,631	\$ 779,695	27,763
Lincoln Elementary - HVAC Project	837,600		34,275	803,325
Euclid Elementary - HVAC Project	977,200	28,250	55,915	893,035
Airdales Project - HVAC Project	656,507		199,441	457,066
MS/HS - HVAC Project	<u>2,073,675</u>	<u>-</u>	<u>186,011</u>	<u>1,887,664</u>
 Total	 <u>\$ 13,450,852</u>	 <u>\$ 8,072,357</u>	 <u>\$ 1,255,337</u>	 <u>\$ 4,123,158</u>
 <u>Reconciliation to GAAP Basis</u>				
Project Balance, June 30, 2024				\$ 4,123,158
Less:				
Unearned Revenue - Federal Grants				<u>(3,549,236)</u>
Fund Balance, June 30, 2024 - GAAP Basis				<u>\$ 573,922</u>
 <u>Recapitulation of Fund Balance - Budgetary Basis</u>				
Available for Capital Projects				\$ 245,526
Year End Encumbrances				<u>3,877,632</u>
				<u>\$ 4,123,158</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Revenues and Other Financing Sources

Revenues:

Federal Sources	\$ 2,566,055
Local Sources - Interest	14,023

Other Financing Sources:

Transfer from Maintenance Reserve	164,127
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Total Revenues and Other Financing Sources	2,744,205
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Expenditures and Other Financing Uses

Expenditures:

Construction Services	1,255,337
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Total Expenditures and Other Financing Uses	1,255,337
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Excess of Revenues and Other Financing Sources

Over Expenditures and Other Financing Uses	1,488,868
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Fund Balance, July 1, 2023	2,634,290
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Fund Balance, June 30, 2024	\$ 4,123,158
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Reconciliation to GAAP Basis

Fund Balance - Budgetary Basis	\$ 4,123,158
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Less: Unearned Revenue (Federal Grants)	(3,549,236)
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Fund Balance - GAAP Basis	\$ 573,922
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**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
MECHANICAL UPGRADES - ALL SCHOOLS
FROM INCEPTION THROUGH FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 6,664,781		\$ 6,664,781	\$ 6,664,781
Total Revenues	6,664,781	-	6,664,781	6,664,781
Expenditures and Other Financing Uses				
Construction Services	6,610,476		6,610,476	6,664,781
Total Expenditures	6,610,476	-	6,610,476	6,664,781
Excess (deficiency) or Revenues over (under) Expenditures	\$ 54,305	\$ -	\$ 54,305	\$ -

Additional project information:

Project Number	2080-050-14-1001/1002/1005
Grant Date	Various
Bond Authorization Date	7/21/2021
Bonds Authorized	\$ 3,895,000
Bonds Issued	3,895,000
Original Authorized Cost	6,725,108
Additional Auth. Cost/(Cancellation)	(60,327)
Revised Authorized Cost	6,664,781
Percentage Increase over Original Authorized Cost	-0.90%
Percentage completion	99%
Original target completion date	12/31/2017
Revised target completion date	12/31/2019

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
2021 BLEACHER PROJECT
FROM INCEPTION THROUGH FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Proceeds	\$ 860,000		\$ 860,000	\$ 860,000
Interest Earnings	2,295	\$ 14,023	16,318	16,318
Transfer from Capital Reserve	872,500	-	872,500	872,500
Transfer from Maintenance Reserve	492,271	-	492,271	492,271
	<u>2,227,066</u>	<u>14,023</u>	<u>2,241,089</u>	<u>2,241,089</u>
Total Revenues				
Expenditures and Other Financing Uses				
Construction Services	1,433,631	779,695	2,213,326	2,241,089
	<u>1,433,631</u>	<u>779,695</u>	<u>2,213,326</u>	<u>2,241,089</u>
Total Expenditures				
Excess (deficiency) or Revenues over (under) Expenditures	\$ 793,435	\$ (765,672)	\$ 27,763	\$ -

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	\$ 1,560,000
Additional Authorized Cost	681,089
Revised Authorized Cost	2,241,089

Percentage Increase over Original Authorized Cost	43.66%
Percentage completion	99%
Original target completion date	8/1/2023
Revised target completion date	8/1/2023

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
LINCOLN ELEMENTARY - HVAC PROJECT
FROM INCEPTION THROUGH FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	Revised Authorized <u>Cost</u>
Revenues and Other Financing Sources				
Federal Sources	\$ 628,200		\$ 628,200	\$ 628,200
Transfer from Capital Outlay	209,400	-	209,400	209,400
Total Revenues	837,600	-	837,600	837,600
Expenditures and Other Financing Uses				
Construction Services	-	\$ 34,275	34,275	837,600
Total Expenditures	-	34,275	34,275	837,600
Excess (deficiency) or Revenues over (under) Expenditures	\$ 837,600	\$ (34,275)	\$ 803,325	\$ -
Additional project information:				
Project Number	SSB-VEEVR-68390			
Grant Date	12/13/2022			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Grant Authorization Date	12/13/2022			
Grant Authorized	\$ 628,200			
Original Authorized Cost	837,600			
Additional Authorized Cost	-			
Revised Authorized Cost	837,600			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	4%			
Original target completion date	12/13/2023			
Revised target completion date	12/13/2025			

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
EUCLID ELEMENTARY - HVAC PROJECT
FROM INCEPTION THROUGH FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	Revised Authorized Cost
Revenues and Other Financing Sources				
Federal Sources	\$ 732,900		\$ 732,900	\$ 732,900
Transfer from Capital Outlay	244,300	-	244,300	244,300
Total Revenues	977,200	-	977,200	977,200
Expenditures and Other Financing Uses				
Construction Services	28,250	55,915	84,165	977,200
Total Expenditures	28,250	55,915	84,165	977,200
Excess (deficiency) or Revenues over (under) Expenditures	\$ 948,950	\$ (55,915)	\$ 893,035	\$ -

Additional project information:

Project Number	SSB-VEEVR-68392
Grant Date	12/13/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Grant Authorization Date	12/13/2022
Grant Authorized	\$ 732,900
Original Authorized Cost	977,200
Additional Authorized Cost	-
Revised Authorized Cost	977,200

Percentage Increase over Original

Authorized Cost	0.00%
Percentage completion	9%
Original target completion date	12/13/2023
Revised target completion date	12/13/2025

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
5 AIRDALE HEATING UNITS - HVAC PROJECT
FROM INCEPTION THROUGH FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Federal Sources		\$ 492,380	\$ 492,380	\$ 492,380
Transfer from Maintenance Reserve		164,127	164,127	164,127
Total Revenues	-	656,507	656,507	656,507
Expenditures and Other Financing Uses				
Construction Services		199,441	199,441	656,507
Total Expenditures	-	199,441	199,441	656,507
Excess (deficiency) or Revenues over (under) Expenditures	\$ -	\$ 457,066	\$ 457,066	\$ -

Additional project information:

Project Number	SSB-VEEVR-68391
Grant Date	12/13/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Grant Authorization Date	12/13/2022
Grant Authorized	\$ 492,380
Original Authorized Cost	656,507
Additional Authorized Cost	-
Revised Authorized Cost	656,507

Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	30%
Original target completion date	12/13/2023
Revised target completion date	12/13/2025

**HASBROUCK HEIGHTS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
MS/HS - HVAC PROJECT
FROM INCEPTION THROUGH FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Federal Sources		\$ 2,073,675	\$ 2,073,675	\$ 2,073,675
Transfer from Capital Reserve		-	-	-
Total Revenues	-	2,073,675	2,073,675	2,073,675
Expenditures and Other Financing Uses				
Construction Services		186,011	186,011	2,073,675
Total Expenditures	-	186,011	186,011	2,073,675
Excess (deficiency) or Revenues over (under) Expenditures	\$ -	\$ 1,887,664	\$ 1,887,664	\$ -

Additional project information:

Project Number	SSB-VEEVR-68391
Grant Date	12/13/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Grant Authorization Date	12/13/2022
Grant Authorized	\$ 2,073,675
Original Authorized Cost	2,764,900
Additional Authorized Cost	-
Revised Authorized Cost	2,764,900

Percentage Increase over Original
Authorized Cost

Percentage completion

Original target completion date

Revised target completion date

0.00%

7%

12/13/2023

12/13/2024

ENTERPRISE FUNDS

EXHIBIT G-1

**HASBROUCK HEIGHTS BOARD OF EDUCATION
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**HASBROUCK HEIGHTS BOARD OF EDUCATION
LONG TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
\$1,740,000 School Bonds	7/1/2014	\$ 1,740,000	8/1/2024	\$ 200,000	2.50%	\$ 395,000		\$ 195,000	\$ 200,000
Refunding School Bonds; Refunds School Refunding Bonds Issued on 4/7/05	7/23/2015	4,745,000				650,000		650,000	-
\$3,895,000 School Bonds	7/1/2021	3,895,000	8/15/2024	250,000	0.50%				
			8/15/2025	250,000	1.00%				
			8/15/2026	250,000	1.00%				
			8/15/2027	250,000	1.50%				
			8/15/2028	250,000	2.00%				
			8/15/2029	250,000	2.00%				
			8/15/2030	250,000	2.00%				
			8/15/2031	250,000	2.00%				
			8/15/2032	250,000	2.00%				
			8/15/2033	250,000	2.00%				
			8/15/2034	250,000	2.00%				
			8/15/2035	250,000	2.00%				
			8/15/2036	250,000	2.00%				
			8/15/2037	250,000	2.00%				
			8/15/2038	145,000	2.00%	3,770,000	-	125,000	3,645,000
						<u>\$ 4,815,000</u>	<u>\$ -</u>	<u>\$ 970,000</u>	<u>\$ 3,845,000</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF CAPITAL AND OTHER FINANCING AGREEMENTS
FOR THE FISCAL YEAR JUNE 30, 2024**

	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Cancelled</u>	<u>Balance, June 30, 2024</u>
<u>Capital Financing Agreements</u>							
Teq Lease (2020) - 11 Active Panels	\$ 68,394	5.25%	\$ 14,359		\$ 14,359		
Dell Computers (2020) - Computer Security Eq.	60,772	6.80%	12,935		12,935		
Dell Computers (2020) - Network Server	64,170	4.80%	13,427		13,427		
Bleachers Project (2021)	860,000	1.30%	346,856		172,308		\$ 174,548
TEQ Lease (2022) - 9 Active Panels	65,088	5.50%	38,979		12,310		26,669
Teq Lease (2023) - 10 Promethean Boards	63,452	6.92%	49,288		11,114		38,174
Teq Lease (2023) - 12 Security Cameras	31,861	7.84%	24,651		5,483		19,168
Teq Lease (2023) - 4 Promethean Boards	37,979	6.93%	29,500		6,651		22,849
Teq Lease (2023) - 12 Security Cameras	36,767	6.98%	28,390		6,397		21,993
Teq Lease (2024) - 52 Security Cameras	121,998	6.26%		\$ 121,998	25,747		96,251
Copiers - 16 Ricoh Copiers (2024)	274,867	6.00%	-	274,867	61,548	-	213,319
Total Financing Agreements			558,385	396,865	342,279	-	612,971
<u>Other Financing Agreements</u>							
ACER Financial (2020)	31,151	N/A	6,662		6,662		-
Dell Computers (2022) - Chromebooks	233,997	2.00%	81,756		81,756		-
Dell Computers (2024) - Desk Top Computers	192,774	5.00%	-	192,774	34,887	-	157,887
Total Other Financing Agreements			88,418	192,774	123,305	-	157,887
<u>Leases Payable</u>							
Canon (2021) - 14 Copiers	285,855	N/A	120,660	-	60,198	\$ 60,462	-
			\$ 767,463	\$ 589,639	\$ 525,782	\$ 60,462	\$ 770,858

**HASBROUCK HEIGHTS BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 824,555		\$ 824,555	\$ 824,555	
State Source					
Debt Service Aid	227,689		227,689	227,689	
	<u>1,052,244</u>	<u>-</u>	<u>1,052,244</u>	<u>1,052,244</u>	<u>-</u>
Total Revenues					
EXPENDITURES					
Debt Service					
Principal	970,000		970,000	970,000	
Interest	82,244	-	82,244	82,244	-
	<u>1,052,244</u>	<u>-</u>	<u>1,052,244</u>	<u>1,052,244</u>	<u>-</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
OTHER FINANCING SOURCES					
Transfer from Capital Projects Fund	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Over (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATISTICAL SECTION
(UNAUDITED)**

This part of the Hasbrouck Heights Board of Education's annual comprehensive financial report presents detailed information a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

HASBROUCK HEIGHTS BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Investment in Capital Assets	\$ 845,032	\$ 1,477,030	\$ 3,184,357	\$ 7,762,981	\$ 8,874,736	\$ 10,468,888	\$ 7,826,556	\$ 7,605,803	\$ 9,884,902	\$ 12,512,794
Restricted	1,386,416	1,543,510	1,643,510	2,243,510	2,454,347	2,482,215	4,272,277	5,642,979	3,445,143	2,999,607
Unrestricted	(6,310,500)	(6,557,060)	(7,913,435)	(10,257,808)	(10,602,764)	(10,465,799)	(7,596,680)	(5,583,881)	(4,107,927)	(4,816,279)
Total Governmental Activities Net Position	\$ (4,079,052)	\$ (3,536,520)	\$ (3,085,568)	\$ (251,317)	\$ 726,319	\$ 2,485,304	\$ 4,502,153	\$ 7,664,901	\$ 9,222,118	\$ 10,696,122
Business-Type Activities										
Investment in Capital Assets									\$ 34,832	\$ 84,487
Unrestricted	\$ 549,438	\$ 609,004	\$ 588,105	\$ 568,731	\$ 556,512	\$ 594,301	\$ 550,171	\$ 620,431	740,117	814,023
Total Business-Type Activities Net Position	\$ 549,438	\$ 609,004	\$ 588,105	\$ 568,731	\$ 556,512	\$ 594,301	\$ 550,171	\$ 620,431	\$ 774,949	\$ 898,510
District-Wide										
Net Investment in Capital Assets	\$ 845,032	\$ 1,477,030	\$ 3,184,357	\$ 7,762,981	\$ 8,874,736	\$ 10,468,888	\$ 7,826,556	\$ 7,605,803	\$ 9,919,734	\$ 12,597,281
Restricted	1,386,416	1,543,510	1,643,510	2,243,510	2,454,347	2,482,215	4,272,277	5,642,979	3,445,143	2,999,607
Unrestricted (Deficit)	(5,761,062)	(5,948,056)	(7,325,330)	(9,689,077)	(10,046,252)	(9,871,498)	(7,046,509)	(4,963,450)	(3,367,810)	(4,002,256)
Total District Net Position	\$ (3,529,614)	\$ (2,927,516)	\$ (2,497,463)	\$ 317,414	\$ 1,282,831	\$ 3,079,605	\$ 5,052,324	\$ 8,285,332	\$ 9,997,067	\$ 11,594,632

Source: District's financial statements

HASBROUCK HEIGHTS BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 11,118,742	\$ 12,955,085	\$ 16,442,957	\$ 17,169,122	\$ 16,902,388	\$ 16,266,368	\$ 17,735,934	\$ 16,453,529	\$ 16,864,030	\$ 17,270,141
Special Education	3,572,400	4,250,640	5,562,604	5,710,487	5,836,713	5,384,980	5,856,586	5,184,657	7,206,160	7,799,655
Other Special Education	775,700	1,206,852	1,448,872	1,749,399	1,687,982	1,687,024	1,793,336	1,710,311	865,916	954,991
School Sponsored Activities and Athletics									1,263,830	1,383,753
Support Services:										
Tuition	2,875,701	2,819,933	2,984,551	2,610,946	2,958,742	3,177,719	3,454,209	3,262,822		
Student & Instruction Related Services	4,236,669	5,126,097	6,053,709	5,527,049	5,593,922	5,638,495	6,632,957	6,138,623	6,262,172	6,599,363
School Administrative Services	1,232,176	729,565	2,063,849	2,213,726	2,878,945	1,549,616	2,140,620	1,929,635	1,410,217	1,441,201
General Administrative Services	1,369,359	2,525,470	1,585,115	1,681,808	873,684	1,729,518	1,871,707	1,664,117	1,353,769	1,221,207
Plant Operations And Maintenance	2,499,991	2,269,536	3,037,806	3,590,178	4,356,623	4,175,341	3,622,076	3,437,021	866,680	630,815
Pupil Transportation	673,390	827,807	921,197	812,192	826,962	750,644	1,135,146	1,072,204	4,809,795	5,410,210
Business and Other Support Services	-	-	-	-	-	-	127,723	-	1,209,735	1,202,082
Interest On Long-Term Debt	750,364	458,751	540,009	126,551	229,944	392,978	34,114	68,599	135,693	94,868
Unallocated Depreciation	-	-	341,748	-	-	-	-	-	-	-
Total Governmental Activities Expenses	29,104,492	33,169,736	40,982,417	41,191,458	42,145,905	40,752,683	44,404,408	40,921,518	42,247,997	44,008,286
Business-Type Activities:										
Food Service	508,418	503,341	517,246	584,865	558,567	449,429	151,188	731,098	725,603	745,361
Keys and other programs	417,212	425,075	417,174	376,539	450,844	370,354	142,121	292,265	355,998	318,825
Total Business-Type Activities Expense	925,630	928,416	934,420	961,404	1,009,411	819,783	293,309	1,023,363	1,081,601	1,064,186
Total District Expenses	\$ 30,030,122	\$ 34,098,152	\$ 41,916,837	\$ 42,152,862	\$ 43,155,316	\$ 41,572,466	\$ 44,697,717	\$ 41,944,881	\$ 43,329,598	\$ 45,072,472
Program Revenues										
Governmental Activities:										
Charges For Services:									\$ 259,507	\$ 235,399
Operating Grants and Contributions	\$ 980,872	\$ 3,918,280	\$ 10,301,427	\$ 793,712	\$ 806,044	\$ 868,055	\$ 1,100,413	\$ 1,382,326	8,670,397	9,093,202
Capital Grants and Contributions	-	-	531,738	1,609,642	101,796	-	-	101,796	339,950	513,347
Total Governmental Activities Program Revenues	980,872	3,918,280	10,833,165	2,403,354	907,840	868,055	1,100,413	1,484,122	9,269,854	9,841,948
Business-Type Activities:										
Charges For Services										
Food Service	360,360	375,761	393,830	395,933	429,935	331,163	2,088	6,465	483,278	506,488
Keys and other programs	468,661	468,778	379,319	376,475	397,864	396,943	100,541	368,612	413,792	445,055
Operating Grants And Contributions	142,350	143,443	140,373	169,621	169,393	129,466	146,550	718,546	338,159	259,769
Total Business Type Activities Program Revenues	971,371	987,982	913,522	942,029	997,192	857,572	249,179	1,093,623	1,235,229	1,211,312
Total District Program Revenues	\$ 1,952,243	\$ 4,906,262	\$ 11,746,687	\$ 3,345,383	\$ 1,905,032	\$ 1,725,627	\$ 1,349,592	\$ 2,577,745	\$ 10,505,083	\$ 11,053,260
Net (Expense)/Revenue										
Governmental Activities	\$ (28,123,620)	\$ (29,251,456)	\$ (30,149,252)	\$ (38,788,104)	\$ (41,238,065)	\$ (39,884,628)	\$ (43,303,995)	\$ (39,437,396)	\$ (32,978,143)	\$ (34,166,338)
Business-Type Activities	45,741	59,566	(20,898)	(19,375)	(12,219)	37,789	(44,130)	70,260	153,628	147,126
Total District-Wide Net Expense	\$ (28,077,879)	\$ (29,191,890)	\$ (30,170,150)	\$ (38,807,479)	\$ (41,250,284)	\$ (39,846,839)	\$ (43,348,125)	\$ (39,367,136)	\$ (32,824,515)	\$ (34,019,212)

HASBROUCK HEIGHTS BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes General Purposes	\$ 26,544,747	\$ 27,211,837	\$ 27,951,872	\$ 28,355,966	\$ 29,237,321	\$ 29,929,574	\$ 30,874,428	\$ 31,491,917	\$ 31,998,304	\$ 33,144,765
Property Taxes Debt Service	626,631	706,288	620,898	665,472	727,048	798,514	591,393	668,062	808,775	824,555
Unrestricted State Aid	1,556,062	1,632,506	1,650,675	12,317,036	12,008,380	10,337,181	13,620,588	10,164,334	1,625,538	1,644,132
Tuition Received	160,000	69,615	45,914	60,457	43,412	38,271	31,630	9,164		
Cancellation of Unfunded Capital Projects	(1,608,545)									
Investment Earnings				71,768	109,757	72,425	3,594	9,897	285,331	259,354
Miscellaneous Income	183,688	173,742	535,296	151,656	191,079	256,066	199,211	256,770	234,856	286,849
Total Governmental Activities	27,462,583	29,793,988	30,804,655	41,622,355	42,316,997	41,432,031	45,320,844	42,600,144	34,952,804	36,159,655
Business-Type Activities:										
Investment Earnings	(1,687)	-	-	-	-	-	-	-	-	11,267
Total Business-Type Activities	(1,687)	-	-	-	-	-	-	-	-	11,267
Total District-Wide	\$ 27,460,896	\$ 29,793,988	\$ 30,804,655	\$ 41,622,355	\$ 42,316,997	\$ 41,432,031	\$ 45,320,844	\$ 42,600,144	\$ 34,952,804	\$ 36,170,922
Change in Net Position										
Governmental Activities	\$ (661,037)	\$ 542,532	\$ 655,403	\$ 2,834,251	\$ 1,078,932	\$ 1,547,403	\$ 2,016,849	\$ 3,162,748	\$ 1,974,661	\$ 1,993,317
Business-Type Activities	44,054	59,566	(20,898)	(19,375)	(12,219)	37,789	(44,130)	70,260	153,628	158,393
Total District Wide	\$ (616,983)	\$ 602,098	\$ 634,505	\$ 2,814,876	\$ 1,066,713	\$ 1,585,192	\$ 1,972,719	\$ 3,233,008	\$ 2,128,289	\$ 2,151,710

Sources: District's financial statements

HASBROUCK HEIGHTS BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 1,850,318	\$ 2,043,773	\$ 1,643,510	\$ 2,243,510	\$ 2,439,477	\$ 2,581,654	\$ 3,398,971	\$ 4,361,105	\$ 2,256,275	\$ 2,511,696
Committed									1,271,169	102,949
Assigned				797,807	814,994	577,592	547,697	890,318	419,876	697,910
Unassigned	<u>474,184</u>	<u>397,648</u>	<u>642,813</u>	<u>378,027</u>	<u>247,099</u>	<u>404,632</u>	<u>401,737</u>	<u>358,415</u>	<u>280,533</u>	<u>158,444</u>
Total General Fund	<u>\$ 2,324,502</u>	<u>\$ 2,441,421</u>	<u>\$ 2,286,323</u>	<u>\$ 3,419,344</u>	<u>\$ 3,501,570</u>	<u>\$ 3,563,878</u>	<u>\$ 4,348,405</u>	<u>\$ 5,609,838</u>	<u>\$ 4,227,853</u>	<u>\$ 3,470,999</u>
All Other Governmental Funds										
Unassigned, Reported in:										
Capital Projects Fund (Deficit)				\$ (3,589,994)	\$ (3,900,527)	\$ (3,900,527)	\$ (2,280,695)			
Restricted for										
Special Revenue Fund						211,582	173,306	\$ 184,522	\$ 205,236	\$ 224,735
Capital Projects Fund			\$ (297,605)					1,614,305	1,294,378	573,922
Debt Service Fund	<u>\$ 81,088</u>	<u>\$ 73,261</u>	<u>14,879</u>	<u>54,871</u>	<u>57,141</u>	<u>95,928</u>	<u>564</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 81,088</u>	<u>\$ 73,261</u>	<u>\$ (282,726)</u>	<u>\$ (3,535,123)</u>	<u>\$ (3,843,386)</u>	<u>\$ (3,593,017)</u>	<u>\$ (2,106,825)</u>	<u>\$ 1,798,827</u>	<u>\$ 1,499,614</u>	<u>\$ 798,657</u>

Note 1 -Fund Balances in the General and Special Revenue Funds at June 30, 2020 are restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District's financial statements

HASBROUCK HEIGHTS BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 27,171,378	\$ 27,918,125	\$ 28,572,770	\$ 29,021,438	\$ 29,964,369	\$ 30,728,088	\$ 31,465,821	\$ 32,159,979	\$ 32,807,079	33,969,320
Other Local Revenue	385,684	262,309	290,155	229,012	343,431	366,762	234,435	518,768	848,826	783,532
State Sources	4,555,988	4,915,741	14,729,012	7,796,489	7,904,875	8,294,515	9,690,598	11,581,637	11,765,544	12,728,027
Federal Sources	617,726	635,044	652,012	604,120	588,561	648,183	870,898	860,318	1,460,349	2,038,491
Total Revenue	32,730,776	33,731,219	44,243,949	37,651,059	38,801,236	40,037,548	42,261,752	45,120,702	46,881,798	49,519,370
Expenditures										
Instruction										
Regular Instruction	8,597,979	8,719,704	9,053,513	9,291,163	9,709,302	9,709,331	9,903,522	10,468,105	18,658,376	19,460,734
Special Education Instruction	2,906,417	2,883,326	3,031,456	3,016,578	3,242,476	3,167,038	3,223,468	3,331,770	7,675,722	8,447,166
Other Special Instruction	623,074	871,575	890,041	1,000,601	1,067,457	1,061,837	1,066,778	1,178,656	930,622	1,044,857
School Sponsored Activities and Athletics									1,264,887	1,416,351
Support Services										
Tuition	2,503,491	2,400,266	2,630,433	2,202,510	2,528,450	2,769,602	2,919,877	2,828,032		
Student and Inst. Related Services	3,577,338	3,796,496	3,767,996	3,306,271	3,670,766	3,551,010	3,766,959	4,127,681	6,471,607	6,955,369
General Administrative Services	654,037	619,169	592,594	571,102	557,894	601,088	684,020	612,101	1,407,271	1,449,000
School Administrative Services	974,595	1,110,888	1,154,133	1,191,414	1,193,016	1,180,407	1,184,521	1,249,479	1,460,797	1,449,329
Central Services	422,875	508,894	472,831	498,330	547,646	471,355	209,442	662,488	867,738	652,135
Operations and Maintenance	2,089,633	2,266,962	2,367,389	2,419,586	3,129,863	3,348,090	3,401,464	3,056,203	4,024,042	4,466,178
Student Transportation	660,067	810,755	891,781	765,689	786,674	707,775	1,060,869	1,021,169	1,185,876	1,181,057
Business and Other Support Services:										
Employee Benefits	4,195,448	4,533,247	4,637,833	4,782,949	5,153,084	5,126,086	4,981,357	4,571,412		
On-Behalf TPAF Pension Contributions	1,715,198	2,104,645	2,631,388	3,176,484	3,700,465	3,863,177	6,038,774	6,637,609		
Reimbursed TPAF Social Security Contributions	921,581	872,112	967,307	951,108	989,392	1,137,190		1,128,196		
Special Revenue	980,872	941,521	905,363	793,712	806,044	868,055	1,223,092	1,382,326		
Debt Service	802,077	888,239	840,550	841,725	966,504	1,018,062	851,650	893,766		
Debt Service										
Principal									1,407,375	1,495,782
Interest									135,551	113,364
Capital Outlay	770,553	347,356	1,864,835	5,673,999	1,026,003	1,742,993	814,171	998,709	3,243,191	3,435,498
Total Undistributed	\$ 32,395,235	\$ 33,675,155	\$ 36,699,443	\$ 40,483,221	\$ 39,075,036	\$ 40,323,096	\$ 41,329,964	\$ 44,147,702	\$ 48,733,055	\$ 51,566,820
Excess (Deficiency) of Revenues	335,541	56,064	7,544,506	(2,832,162)	(273,800)	(285,548)	931,788	973,000	(1,851,257)	(2,047,450)
Other Financing Sources (Uses)										
Premium on Promissory Note in Cap Projects				37,180						
Adjustments			291,055		(16,398)					
Capital, Other and Lease Agreements (non-budgeted)	382,243	72,000	347,907	657,917	63,661	386,643	1,338,931	299,085	170,059	589,639
Proceeds from Refunding	(32,770)									
Cancellation of Unfunded Capital Projects	(1,608,545)									
Write-off of Prior Year Revenue	(9,228)	(979)								
Interest Earned in Capital Projects Fund				17,689						
Proceeds from Bond Issuance								3,895,000		
Transfers In		21	(500,000)						1,143,178	164,127
Transfers Out	(29,608)	(18,014)	500,000	-	-	-	-	-	(1,143,178)	(164,127)
Total Other Financing Sources (Uses)	(1,297,908)	53,028	638,962	712,786	47,263	386,643	1,338,931	4,194,085	170,059	589,639
Net Change in Fund Balances	\$ (962,367)	\$ 109,092	\$ 8,183,468	\$ (2,119,376)	\$ (226,537)	\$ 101,095	\$ 2,270,719	\$ 5,167,085	\$ (1,681,198)	\$ (1,457,811)
Debt Service as a Percentage of Non Capital Expenditures	0.83%	0.89%	0.69%	0.77%	0.84%	0.87%	0.69%	0.67%	1.12%	1.11%

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Fiscal Year Ended June 30</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Rentals-Use of Facilities</u>	<u>Refunds</u>	<u>Other</u>	<u>Total</u>
2015	\$ 8,770	\$ 160,000	\$ 1,150	\$ 26,957	\$ 138,787	\$ 335,664
2016	12,324	69,616	48,400	25,635	106,334	262,309
2017	13,948	45,914	500	50,156	179,635	290,153
2018	54,079	60,457		13,466	101,010	229,012
2019	109,757	43,412		14,772	175,489	343,430
2020	72,337	38,271		119,803	81,157	311,568
2021	3,592	31,630		51,975	105,972	193,169
2022	7,604	9,164	65,000	49,215	142,555	273,538
2023	258,329	29,800	65,000	5,243	164,613	522,985
2024	245,331	2,750	66,000	25,001	195,848	534,930

HASBROUCK HEIGHTS PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate ^a
2015	\$ 8,607,000	\$ 1,169,541,300			\$ 287,107,700	\$ 20,738,800	\$ 64,899,800	\$ 1,550,894,600	\$ 1,017,149	\$ 1,551,911,749	\$ 1,764,238,083	1.77
2016	8,403,900	1,178,737,400			284,845,200	23,326,300	64,777,300	1,560,090,100	1,009,037	1,561,099,137	1,788,301,616	1.80
2017	8,641,500	1,249,946,200			316,426,700	28,387,400	76,390,000	1,679,791,800	1,142,033	1,680,933,833	1,769,705,630	1.70
2018	8,684,100	1,277,161,100			325,044,300	29,168,000	77,194,500	1,717,252,000	1,142,708	1,718,394,708	1,788,729,980	1.71
2019	8,741,000	1,310,556,800			335,261,900	30,974,600	79,970,200	1,765,504,500	1,153,070	1,766,657,570	1,798,398,549	1.71
2020	9,863,200	1,338,222,000			334,768,400	31,773,600	81,973,500	1,796,600,700	1,166,587	1,797,767,287	1,858,167,394	1.72
2021	9,606,500	1,406,506,200			334,347,200	33,753,200	88,929,500	1,873,142,600	1,182,844	1,874,325,444	1,903,471,924	1.69
2022	9,651,700	1,524,728,600			336,099,500	36,993,000	96,532,100	2,004,004,900	1,185,800	2,005,190,700	2,041,484,047	1.61
2023	11,565,000	1,647,194,200			349,700,500	40,729,500	102,563,500	2,151,752,700	1,202,827	2,152,955,527	2,209,767,472	1.54
2024	10,456,100	1,733,687,700			367,977,500	42,954,400	108,571,500	2,263,647,200	1,263,117	2,264,910,317	2,277,652,413	1.50

The Borough had a reassessments of property tax values completed in each year from 2017 through 2024.

Source: County Abstract of Ratables

^a Tax rates are per \$100

**HASBROUCK HEIGHTS BOARD OF EDUCATION
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
		Municipality	County	
2015	\$ 1.767	\$ 0.947	\$ 0.272	\$ 2.986
2016	1.801	0.952	0.282	3.035
2017	1.704	0.888	0.264	2.856
2018	1.705	0.892	0.255	2.852
2019	1.706	0.890	0.249	2.845
2020	1.719	0.901	0.256	2.876
2021	1.685	0.883	0.256	2.824
2022	1.607	0.839	0.246	2.692
2023	1.540	0.791	0.246	2.577
2024	1.502	0.818	0.235	2.555

- (1) The Borough has reassessments of property tax values completed in each year from 2017 through 2024.

Source: Tax Duplicate, Borough of Wood-Ridge

**HASBROUCK HEIGHTS BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2024	
	Taxable Assessed Valuation	% of Total District Net Assessed Valuation
650 Terrace Ave LLC	\$ 29,141,000	1.3%
Heights Plaza, Associates	28,443,600	1.3%
621 Route 46 Associates	25,045,300	1.1%
Ottawa House Limited	19,893,300	0.9%
Heights Plaza, LLC	19,563,000	0.9%
Ess Prisa LLC	19,188,500	0.8%
Skyline Associates	18,486,900	0.8%
Prologis Exchange NJ 2003LLC	15,566,900	0.7%
Suncroft HHHH LLC	14,530,000	0.6%
Three Buildings LLC	14,143,000	0.6%
	<u>\$ 204,001,500</u>	<u>9.01%</u>

2015	
Taxable Assessed Valuation	% of Total District Net Assessed Value

Prime Properties, LLC
Heights Plaza, Associates
Heights Plaza, LLC
Ess Prisa LLC
621 Route 46 Associates
Ottawa House Limited
611 Route 46, LLC
Hasbrouck Motel Company
377 LaSalle Group LLC
Skyline Associates

N/A

**HASBROUCK HEIGHTS BOARD OF EDUCATION
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		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 27,030,709	\$ 27,030,709	100.00	
2016	27,804,795	27,804,795	100.00	
2017	28,572,770	28,572,770	100.00	
2018	29,021,438	29,021,438	100.00	
2019	29,964,369	29,964,369	100.00	
2020	30,728,088	30,728,088	100.00	
2021	31,465,821	31,465,821	100.00	
2022	32,159,979	29,556,124	91.90	\$ 2,603,855
2023	32,807,079	30,162,721	91.94	2,644,358
2024	33,969,320	30,485,455	89.74	3,483,865

Source: District records.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population (E)	Per Capita
	General Obligation Bonds	Financing Agreements/ Leases Payable	Bond Anticipation Note			
2015	\$ 7,065,000	\$ 399,530		\$ 7,464,530	12,115	\$ 616
2016	6,210,000	321,177		6,531,177	12,091	540
2017	5,540,000	440,190		5,980,190	12,116	494
2018	4,850,000	694,507		5,544,507	12,054	460
2019	4,140,000	462,442		4,602,442	11,992	384
2020	3,405,000	432,543		3,837,543	11,912	322
2021	2,645,000	1,271,844		3,916,844	12,051	325
2022	5,755,000	1,064,779		6,819,779	12,018	567
2023	4,815,000	767,463		5,582,463	12,030 E	464
2024	3,845,000	770,858		4,615,858	12,030 E	384

Source: District records

(E) Estimated

**HASBROUCK HEIGHTS BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Ratio of Bonded Debt to Assessed Value</u>	<u>Per Capita</u>
2015	\$ 7,065,000		\$ 7,065,000	0.46%	\$ 583
2016	6,210,000		6,210,000	0.40%	513.61
2017	5,540,000		5,540,000	0.33%	457.25
2018	4,850,000		4,850,000	0.28%	402.36
2019	4,140,000		4,140,000	0.23%	345.23
2020	3,405,000		3,405,000	0.19%	285.85
2021	2,645,000		2,645,000	0.14%	219.48
2022	5,755,000		5,755,000	0.29%	478.87
2023	4,815,000		4,815,000	0.22%	400.25
2024	3,845,000		3,845,000	0.17%	319.62

Source: District records

**HASBROUCK HEIGHTS BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
(Unaudited)**

Hasbrouck Heights Board of Education	<u>Total Debt</u>
Borough of Hasbrouck Heights	\$ 12,514,016
Hasbrouck Heights Board of Education	<u>3,845,000</u>
	<u>16,359,016</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County: (2) & (3)	
County of Bergen (A)	16,716,750
Bergen County Utilities Authority (B)	<u>3,267,424</u>
	<u>19,984,174</u>
Total Direct and Overlapping Debt	<u><u>\$ 36,343,190</u></u>

Sources:

Borough of Hasbrouck Heights Chief Financial Officer and Bergen County Treasurer's Office

**HASBROUCK HEIGHTS BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,									
	<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>
Debt Limit	\$ 68,446,161	\$ 69,483,035	\$ 72,839,841	\$ 73,428,499	\$ 74,309,531	\$ 75,257,166	\$ 78,572,589	\$ 78,572,589	\$ 83,137,544	\$ 87,793,198
Total Net Debt Applicable to Limit	<u>7,065,000</u>	<u>6,210,000</u>	<u>5,540,000</u>	<u>4,850,000</u>	<u>4,140,000</u>	<u>3,405,000</u>	<u>2,645,000</u>	<u>5,755,000</u>	<u>4,815,000</u>	<u>3,845,000</u>
Legal Debt Margin	<u>\$ 61,381,161</u>	<u>\$ 63,273,035</u>	<u>\$ 67,299,841</u>	<u>\$ 68,578,499</u>	<u>\$ 70,169,531</u>	<u>\$ 71,852,166</u>	<u>\$ 75,927,589</u>	<u>\$ 72,817,589</u>	<u>\$ 78,322,544</u>	<u>\$ 83,948,198</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.32%	8.94%	7.61%	6.61%	5.57%	4.52%	3.37%	7.32%	5.79%	4.38%

Legal Debt Margin Calculation for Fiscal Year 2023

Equalized Valuation Basis	
2023	\$ 2,267,389,568
2022	2,251,437,928
2021	<u>2,065,662,329</u>
	<u>\$ 6,584,489,825</u>
Average Equalized Valuation of Taxable Property	<u>\$ 2,194,829,942</u>
Debt Limit (4 % of Average Equalization Value)	\$ 87,793,198
Total Net Debt Applicable to Limit	<u>3,845,000</u>
Legal Debt Margin	<u>\$ 83,948,198</u>

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(Unaudited)**

<u>Year Ended June 30</u>	<u>Unemployment Rate</u>	<u>Per Capita Income(1)</u>	<u>Population</u>
2015	6.50%	\$ 77,323	12,115
2016	4.60%	78,836	12,091
2017	4.20%	81,024	12,116
2018	3.90%	85,191	12,054
2019	5.96%	88,241	11,992
2020	8.15%	91,972	11,912
2021	4.48%	97,343	12,051
2022	3.40%	97,138	12,018
2023	4.10%	N/A	12,030 E
2024	N/A	N/A	12,030 E

Source: New Jersey Department of Labor
United States Bureau of Census
School District Records

(E) Estimated

(1) County of Bergen

**HASBROUCK HEIGHTS BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

	<u>2024</u>		<u>2015</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

HASBROUCK HEIGHTS BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Regular	104.4	106.4	106.0	106.2	105.0	106.0	110.2	108.2	108.0	107.0
Special Education	32.4	34.4	32.4	33.0	37.6	37.0	37.6	37.8	39.0	41.0
Other Instruction	29.0	29.0	31.0	40.0	28.0	26.0	27.0	29.0	29.0	29.0
Support Services:										
Attendance & Social Work	1.0	1.0	1.0	1.0	2.2	3.1	3.1	3.1	3.0	3.0
Health Services	3.6	3.6	3.6	3.6	3.6	3.6	3.6	4.0	4.0	4.0
Student and Instruction Related Services	3.0	3.0	3.0	3.0	2.6	2.6	2.6	2.6	3.0	3.0
Extraordinary Services	15.0	15.0	14.5	14.0	15.5	14.0	13.0	16.0	16.0	16.0
Support Services - Students Regular	6.0	6.0	6.0	5.0	6.0	7.0	8.0	9.0	9.0	9.0
Support Services - Students Special	8.4	8.4	9.0	9.0	9.0	9.0	9.0	9.2	9.0	9.0
Improvement of Instructional Services	2.0	2.0	2.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Educational Media/School Library	4.8	4.8	4.8	3.8	3.8	3.8	3.8	3.8	4.0	4.0
General Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School Administrative Services	10.6	10.6	12.1	12.1	13.8	12.4	11.7	11.7	12.0	12.0
Central Services	4.0	4.0	4.0	4.0	4.0	4.2	4.3	4.3	4.0	4.0
Administrative Information Technology	0.3	0.3	1.3	1.3	1.2	1.2	1.3	1.3	1.0	1.0
Plant Operations And Maintenance	14.0	14.0	15.0	14.3	14.3	14.3	15.0	15.0	15.0	15.0
Pupil Transportation	0.5	0.5	-	0.5	1.0	1.0	1.0	1.0	1.0	1.0
Other Support Services	-	-	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Total	<u>241.0</u>	<u>245.0</u>	<u>248.7</u>	<u>254.8</u>	<u>252.6</u>	<u>251.2</u>	<u>257.2</u>	<u>262.0</u>	<u>263.0</u>	<u>264.0</u>

Source: District Personnel Records

HASBROUCK HEIGHTS BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2015	1875.0	27,615,185	14,728	#DIV/0!	137	13.69	13.71	13.71	1869.6	1796.8	-0.48%	96.11%
2016	1866.0	28,523,853	15,286	3.79%	142	13.14	13.14	13.14	1859.0	1787.7	-0.59%	96.16%
2017	1849.0	29,472,818	15,940	4.28%	141	13.11	13.11	13.11	1850.1	1771.9	-0.48%	95.77%
2018	1805.0	29,839,905	16,532	3.71%	139	12.99	12.97	12.97	1799.6	1727.2	-2.73%	95.98%
2019	1786.0	32,110,038	17,979	8.75%	143	12.52	12.49	12.49	1780.0	1709.4	-1.09%	96.03%
2020	1763.0	33,049,969	18,746	4.27%	143	12.33	12.33	12.33	1752.1	1700.8	-1.58%	97.07%
2021	1739.5	33,374,626	19,186	2.35%	148	11.77	11.77	11.77	1710.3	1675.4	-2.39%	97.96%
2022	1740.0	34,489,422	19,822	3.31%	146	11.92	11.92	11.92	1704.5	1625.5	-0.34	95.37%
2023	1727.5	43,946,938	25,440	28.34%	147	11.75	11.75	11.8	1720.6	1633.0	0.94%	94.91%
2024	1693.5	46,522,176	27,471	7.99%	148	11.27	11.78	11.4	1657.9	1580.6	-3.64%	95.34%

Sources: District records

Note: a Enrollment based on annual October district count.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>Elementary</u>										
Square Feet	33,317	33,317	33,317	33,317	33,317	33,317	33,317	33,317	33,317	33,317
Capacity (students)	425	425	425	425	425	425	425	425	425	425
Enrollment	439	439	387	387	387	353	342	356	356	362
<u>Elementary</u>										
Square Feet	33,317	33,317	33,317	33,317	33,317	33,317	33,317	33,317	33,317	33,317
Capacity (students)	425	425	425	425	425	425	425	425	425	425
Enrollment	446		414	414	414	386	384	387	387	369
<u>Middle/High School</u>										
Square Feet	103,681	103,681	103,681	103,681	103,681	103,681	103,681	103,681	103,681	103,681
Capacity (students)	850	850	850	850	850	850	850	850	850	850
Enrollment	990	990	1,048	1,048	1,036	1,024	983	961	961	902
Number of Schools at June 30, 2024										
Elementary = 1	2	2	2	2	2	2	2	2	2	2
Middle School = 1	1	1	1	1	1	1	1	1	1	1
Senior High School = 1	1	1	1	1	1	1	1	1	1	1

Source: District Records

**HASBROUCK HEIGHTS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS**

* School Facilities	<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>
Hasbrouck Heights Middle/High School	\$ 176,635	\$ 254,185	\$ 286,350	\$ 252,529	\$ 389,590	\$ 840,442	\$ 485,336	\$ 452,673	\$ 584,027	\$ 561,119
Euclid	58,878	84,728	95,450	84,176	129,863	94,443	199,654	143,989	187,672	180,311
Lincoln	58,878	84,728	95,450	84,176	129,863	179,239	161,779	246,704	170,773	164,075
Other Facilities	-	-	-	-	-	-	-	20,687	-	-
Total School Facilities	\$ 294,391	\$ 423,641	\$ 477,250	\$ 420,881	\$ 649,316	\$ 1,114,124	\$ 846,769	\$ 864,053	942,472	905,505

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

Source: School District's records

**HASBROUCK HEIGHTS BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2024
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance Ins. Fund (SAIF)		
Commercial Property - Blanket Building and Contents, Flood, Earthquake	\$ 67,637,867	\$ 2,500
Comprehensive General Liability	5,000,000	
Comprehensive Automobile Liability	5,000,000	
Commercial Inland Marine Coverage	Various	
Board of Education Legal Liability	5,000,000	5,000
Crime Coverage (Blanket Dishonesty)	500,000	1,000
Auto Physical Damage Coverage		1,000
Boiler and Machinery - SAIF	100,000,000	2,500
Environmental Impairment Liability	1,000,000	1,000
Ace Illinois Insurance Company	10,000,000	Policy Aggregate
Student and Athletic Insurance	25,000	
Full Excess	5,000,000	
Additional Excess Liability Policy		
New Jersey Unshared Excess Program	30,000,000	
Workers Compensation - Sober VII JIF	Pool Limits	
Official Bonds		
Robert Brown	350,000	
Student Accident	6,000,000	
Accident Medical Excess Limit	25,000	Max Amount Per Accident
Catastrophic Cash Benefit	1,000,000	

Source: School Insurance Records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hasbrouck Heights Board of Education
Hasbrouck Heights, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hasbrouck Heights Board of Education as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Hasbrouck Heights Board of Education's basic financial statements and have issued our report thereon dated January 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Hasbrouck Heights Board of Education'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 Hasbrouck Heights Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hasbrouck Heights Board of Education's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hasbrouck Heights Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002.

We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Hasbrouck Heights Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 28, 2025.

Hasbrouck Heights Board of Education's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Hasbrouck Heights Board of Education's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Hasbrouck Heights Board of Education's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 Hasbrouck Heights Board of Education'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 Hasbrouck Heights Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lerch, Vinci & Bliss, LLP.

LERCH, VINCI & BLISS, LLP

Certified Public Accountants

Public School Accountants

Andrew Parente

Andrew D. Parente

Public School Accountant

PSA Number CS00224600

Fair Lawn, New Jersey
January 28, 2025



LERCH, VINCI & BLISS, LLP

EXHIBIT K-2

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hasbrouck Heights Board of Education
Hasbrouck Heights, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

In our opinion, the Hasbrouck Heights Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of the Hasbrouck Heights Board of Education 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 Hasbrouck Heights Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Hasbrouck Heights Board of Education'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 Hasbrouck Heights Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Hasbrouck Heights Board of Education'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which are described in the accompanying schedule of findings and questioned costs as item 2024-003. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Hasbrouck Heights Board of Education's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Hasbrouck Heights Board of Education's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.


A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a significant deficiency.


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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hasbrouck Heights Board of Education, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 28, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
January 28, 2025

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL	FAIN	Grant Period	Award Amount	Balance at July 1, 2023		Accounts Receivable	Unearned Revenue	Cash Received	Budgetary Expenditures	Accounts Receivable	Deferred Revenue	Balance at June 30, 2024			Memo GAAP
	Number				(Account Receivable)	Unearned Revenue	Carryover Amount	Carryover Amount			Adjustments	Carryover Adjustments	(Account Receivable)	Unearned Revenue	Due to Grantor	Receivable
U.S. Department of Education																
Passed-through State Department of Education																
General Fund:																
Medical Assistance Program	93.778	2005NJ5MAP	7/1/23-6/30/24	\$ 27,319	-	-	-	-	\$ 27,319	\$ 27,319	-	-	-	-	-	-
Total General Fund					-	-	-	-	27,319	27,319	-	-	-	-	-	-
Special Revenue Fund:																
IDEA Consolidated																
IDEA Part B - Basic	84.027	H027A240100	7/01/23-9/30/24	486,097			\$ (102,961)	\$ 102,961	450,946	474,788			\$ (138,112)	\$ 114,270		\$ (23,842)
IDEA Part B - Basic	84.027	H027A230100	7/01/22-9/30/23	527,501	\$ (185,938)	\$ 129,166	102,961	(102,961)	82,977	26,205			-	-		-
IDEA Part B - Preschool	84.173	H173A240114	7/01/23-9/30/24	21,484			(5,000)		26,484	26,484		\$ 10,000	-	5,000		-
IDEA Part B - Preschool	84.173	H173A230114	7/01/22-9/30/23	40,822	(36,500)	-	5,000		31,500				-	-		-
ARP IDEA Part B - Basic	84.027X	H027X230100	7/01/21-9/30/22	90,394	(69,407)	60,532			69,407	41,664			-	-	\$ 18,868	-
ARP IDEA Part B - Preschool	84.173X	H173A230114	7/01/21-9/30/22	7,711	(7,711)	7,711	-	-	7,711	7,708	-	-	-	-	3	-
Subtotal IDEA Consolidated Cluster					(299,556)	197,409	-	-	669,025	576,849	-	10,000	(138,112)	119,270	18,871	(23,842)
ESEA Consolidated																
Title I, Part A	84.010A	S010A240030	7/01/23-9/30/24	169,800			(2,534)	2,534	84,750	110,353	\$ 4,190	(4,190)	(83,394)	57,791		(25,603)
Title I, Part A	84.010A	S010A230030	7/01/22-9/30/23	207,807	(74,583)	35,892	2,534	(2,534)	72,049	33,358	-	-	-	-	-	-
Title I - Cluster					(74,583)	35,892	-	-	156,799	143,711	4,190	(4,190)	(83,394)	57,791	-	(25,603)
Title II, Part A	84.367A	S367A240029	7/01/23-9/30/24	31,590					2,501	6,001			(29,089)	25,589		(3,500)
Title II, Part A	84.367A	S367A230029	7/01/22-9/30/23	56,792	(44,565)	7,949	-	-	44,565	7,949	-	-	-	-	-	-
Title II - Cluster					(44,565)	7,949	-	-	47,066	13,950	-	-	(29,089)	25,589	-	(3,500)
Title III	84.365A	S365A240030	7/01/23-9/30/24	13,596			(5,585)	5,585	14,639	19,181			(4,542)	-		(4,542)
Title III	84.365A	S365A230030	7/01/22-9/30/23	42,413	(42,413)	29,938	5,585	(5,585)	15,731	3,256	21,097	(21,097)	-	-		-
Title III - Immigrant	84.365A	S365A240030	7/01/23-9/30/24	5,438			(3,984)	3,984		9,314			(9,422)	108		(9,314)
Title III - Immigrant	84.365A	S365A230030	7/01/22-9/30/23	5,562	(5,562)	4,942	3,984	(3,984)	1,578	958	-	-	-	-	-	-
Title III - Cluster					(47,975)	34,880	-	-	31,948	32,709	21,097	(21,097)	(13,964)	108	-	(13,856)
Title IV	84.424	S424A240031	7/01/23-9/30/24	12,742			(3,165)	3,165	4,918	14,881			(10,989)	1,026		(9,963)
Title IV	84.424	S424A230031	7/01/22-9/30/23	20,722	(17,422)	5,237	3,165	(3,165)	14,257	2,072	-	-	-	-	-	-
Title IV - Cluster					(17,422)	5,237	-	-	19,175	16,953	-	-	(10,989)	1,026	-	(9,963)
Subtotal ESEA Consolidated Cluster					(184,545)	83,958	-	-	254,988	207,323	25,287	(25,287)	(137,436)	84,514	-	(52,922)
Elementary and Secondary School Emergency Relief (ESSER) Cluster:																
ESSER II - Coronavirus Supplemental Approp	84.425D	S425D210027	3/13/20-9/30/23	456,612	(14,356)	1,399			14,356	1,399			-	-		-
ESSER II - Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	30,898	(19,285)	16,685			19,285	16,685			-	-		-
ESSER III - ARP ESSER	84.425U	S425U210027	3/13/21-9/30/24	1,082,061	(979,314)	472,994			891,196	472,994			(88,118)	-		(88,118)
ESSER III - Accelerated Learning	84.425U	S425U210027	3/13/21-9/30/24	146,263	(146,263)	146,263				146,263			(146,263)	-		(146,263)
ESSER III - Summer Learning	84.425U	S425U210027	3/13/21-9/30/24	40,000	(14,886)	14,886							(14,886)	14,886		-
ESSER III - Comprehensive Beyond the School	84.425U	S425U210027	3/13/21-9/30/24	40,000	(40,000)	40,000							(40,000)	40,000		-
ESSER III - Mental Health	84.425U	S425U210027	3/13/21-9/30/24	45,000	(30,500)	-	-	-	30,500	-	-	-	-	-	-	-
Subtotal of ESSER Cluster					(1,244,604)	692,227	-	-	955,337	637,341	-	-	(289,267)	54,886	-	(234,381)
COVID ARP State and Local Fiscal Recovery Fund																
DOE Special Education Services Additional or Compensatory Spec Ed or Related Services	21.027	SLFRFDOEISES	7/01/23-6/30/24	139,632	-	-	-	-	69,816	52,196	-	-	(69,816)	87,436	-	-
COVID 19 - CRF - Cluster																
COVID 19 - CRF - Grant Program	21.019	C8220COVID19	3/13/20-9/30/22	77,908	-	373	-	-	-	-	-	-	-	373	-	-
Total Special Revenue Fund					(1,728,705)	973,967	-	-	1,949,166	1,473,709	25,287	(15,287)	(634,631)	346,479	18,871	(311,145)

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL		Grant	Award	Balance at July 1, 2023		Accounts Receivable	Unearned Revenue	Cash	Budgetary	Accounts Receivable	Deferred Revenue	Balance at June 30, 2024			Memo
	Number	FAIN	Period	Amount	(Account Receivable)	Unearned Revenue	Carryover Amount	Carryover Amount			Adjustments	Carryover Adjustments	(Account Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable
Capital Projects Fund																
Corona Virus State and Local Fiscal Recovery Fund																
School and Small Business Ventilation and																
Energy Efficiency Repair Program																
Lincoln Elementary School - SSB-VEEVR -68390	21.027	SLFRFDOE15ES	1/1/2023-12/23/2023	\$ 628,200	\$ (628,200)	\$ 628,200				\$ 25,706			\$ (628,200)	\$ 602,494		\$ (628,200)
Euclid Elementary School - SSB-VEEVR -68392	21.027	SLFRFDOE15ES	1/1/2023-12/23/2023	732,900	(732,900)	711,712				41,936			(732,900)	669,776		(732,900)
MSHS Airdales - SSB-VEEVR-68391	21.027	SLFRFDOE15ES	1/1/2023-12/23/2023	492,380						149,581			(492,380)	342,799		(492,380)
MSHS HVAC - SSB-VEEVR-68391	21.027	SLFRFDOE15ES	1/1/2023-12/23/2023	2,073,675	-	-	-	-	-	139,508	-	-	(2,073,675)	1,934,167	-	(2,073,675)
					(1,361,100)	1,339,912	-	-	-	356,731	-	-	(3,927,155)	3,549,236	-	(3,927,155)
U.S. Department of Agriculture																
Passed-through State Department																
of Agriculture																
Enterprise Fund:																
Child Nutrition Cluster:																
National School Lunch Program	10.555	221NJ304NI099	7/01/23-6/30/24	160,307					\$ 150,650	160,307			(9,657)			(9,657)
National School Lunch Program	10.555	231NJ304NI099	7/01/22-6/30/23	182,870	(13,615)				13,615							-
National School PB Lunch Program	10.555	231NJ304NI099	7/01/22-6/30/23	8,874	(653)				653							-
COVID Supply Chain Award	10.555	231NJ304NI099	7/01/22-6/30/23	43,722	-	-			43,722	43,722						-
Food Donations Program (NC)	10.555	231NJ304NI099	7/01/23-6/30/24	57,064					57,064	54,585				2,479		
Food Donations Program (NC)	10.555	231NJ304NI099	7/01/22-6/30/23	47,850	-	1,155	-	-	-	1,155	-	-	-	-	-	-
Subtotal Child Nutrition Cluster					(14,268)	1,155	-	-	265,704	259,769	-	-	(9,657)	2,479	-	(9,657)
Total Federal Financial Awards					\$ (3,104,073)	\$ 2,315,034	\$ -	\$ -	\$ 2,242,189	\$ 2,117,528	\$ 25,287	\$ (15,287)	\$ (4,571,443)	\$ 3,898,194	\$ 18,871	\$ (4,247,957)

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Balance July 1, 2023										Balance June 30, 2024				MEMO	
State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	(Accts Rec)	Unearned Revenue	Due To Grantor	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education															
General Fund:															
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 1,613,865				\$ 1,469,039	\$ 1,613,865		\$ (144,826)		*		\$ 1,613,865	
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	1,572,195	\$ (141,438)			141,438			-		*		-	
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	1,438,890				1,309,766	1,438,890		(129,124)		*		1,438,890	
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	1,438,890	(129,446)			129,446			-		*		-	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	185,508				168,861	185,508		(16,647)		*		185,508	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	185,508	(16,689)	-	-	16,689	-	-	-	-	*	-	-	
Total State Aid - Public Cluster				(287,573)	-	-	3,235,239	3,238,263	-	(290,597)	-	-	-	3,238,263	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	143,130				130,286	143,130		(12,844)		*		143,130	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	143,130	(12,876)			12,876			-		*		-	
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	347,854					347,854		(347,854)		*		347,854	
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	417,883	(417,883)			417,883			-		*		-	
On-Behalf TPAF Contributions															
Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	5,578,451				5,578,451	5,578,451				*		5,578,451	
NCGI Pension Contributions	24-495-034-5094-004	7/1/23-6/30/24	63,619				63,619	63,619				*		63,619	
Post Retirement Medical Contrib.	24-495-034-5094-001	7/1/23-6/30/24	1,535,565				1,535,565	1,535,565				*		1,535,565	
LTDI	24-495-034-5094-004	7/1/23-6/30/24	1,953				1,953	1,953				*		1,953	
Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	1,171,407				1,112,988	1,171,407		(58,419)		*	\$ (58,419)	1,171,407	
Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,155,328	(111,590)	-	-	111,590	-	-	-	-	*	-	-	
Total General Fund				(829,922)	-	-	12,200,450	12,080,242	-	(709,714)	-	-	(58,419)	12,080,242	
Special Revenue Funds															
NJ Nonpublic Aid															
Auxiliary Services															
Compensatory Education	24-100-034-5120-065	7/1/23-6/30/24	138,009				138,009	128,212				\$ 9,797	*	128,212	
Compensatory Education	23-100-034-5120-066	7/1/22-6/30/23	119,388			\$ 21,744			\$ 21,744			-	*	-	
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	11,903				11,903	7,508				4,395	*	7,508	
English as a Second Language	23-100-034-5120-068	7/1/22-6/30/23	4,009			2,806			2,806			-	*	-	
Home Instruction	24-100-034-5120-067	7/1/23-6/30/24	1,291				1,291			(1,291)		-	*	(1,291)	
Home Instruction	23-100-034-5120-067	7/1/22-6/30/23	321	(321)	-	-	321	-	-	-	-	-	*	-	
Total Non Public Aux. Service Aid (Chap. 192) Cluster				(321)	-	24,550	150,233	137,011	24,550	(1,291)	-	14,192	-	137,011	
Handicapped Services:															
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	78,935				78,935	33,542				45,393	*	33,542	
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	16,108			16,108			16,108				*	-	
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	43,431				43,431	34,689				8,742	*	34,689	
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	37,200			10,602			10,602				*	-	
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	22,302				22,302	12,638				9,664	*	12,638	
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	23,954	-	-	11,811	-	-	11,811	-	-	-	*	-	
Total Non Public Hand. Service Aid (Chap. 193) Cluster				-	-	38,521	144,668	80,869	38,521	-	-	63,799	-	80,869	
SDA Emergency Needs and Capital Maintenan															
Teachers' STEM Grant	N/A	7/1/21-6/30/22	43,584		\$ 2,254						\$ 2,254		*	-	
Teachers' STEM Grant	N/A	7/1/23-6/30/24	20,692				13,590	19,470		(7,102)	1,222		*	19,470	
Teachers' STEM Grant	N/A	7/1/22-6/30/23	18,000	(7,213)			7,213			-			*	-	
Climate Awareness Grant	N/A	4/1/23-6/30/23	6,660	(6,205)			6,205			-			*	-	
Textbook Aid															
Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	15,667				15,667	15,330				337	*	15,330	
Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	19,338			13			13				*	-	
Nursing Services	24-100-034-5120-079	7/1/23-6/30/24	32,520				32,520	32,520					*	32,520	
Nursing Services	23-100-034-5120-079	7/1/22-6/30/23	33,152			3			3				*	-	
Technology	24-100-034-5120-373	7/1/23-6/30/24	13,279				13,279	12,304				975	*	12,304	
Technology	23-100-034-5120-373	7/1/22-6/30/23	12,306			216			216				*	-	
Security Aid	24-100-034-5120-509	7/1/23-6/30/24	55,555				55,555	55,555					*	55,555	
Security Aid	23-100-034-5120-509	7/1/22-6/30/23	60,680	-	-	30,623			30,623	-	-	-	*	-	
Security Aid	22-100-034-5120-509	7/1/21-6/30/22	49,525	-	-	69	-	-	69	-	-	-	*	-	
Total Special Revenue Funds				(13,739)	2,254	93,995	438,930	353,059	93,995	(8,393)	3,476	79,303	##	353,059	

HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Balance July 1, 2023										Balance June 30, 2024				MEMO	
State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	(Accts Rec)	Unearned Revenue	Due To Grantor	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
Capital Projects Fund															
SDA Alyssa's Law School Security Grant	20E00312			\$ (69,208)	-	-	-	-	-	\$ (69,208)	-	-	\$ (69,208)	-	
Total Capital Projects Fund			101,796	(69,208)	-	-	-	-	-	(69,208)	-	-	(69,208)	-	
Debt Service Fund:															
Debt Service Aid	24-495-034-5120-075	7/1/23-6/30/24	227,689	-	-	-	\$ 227,689	\$ 227,689	-	-	-	-	-	\$ 227,689	
Total Debt Service Fund				-	-	-	227,689	227,689	-	-	-	-	-	227,689	
State Department of Agriculture Enterprise Fund:															
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	11,267				10,579	11,267		(688)			(688)	11,267	
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	9,065	(660)	-	-	660	-	-	-	-	-	-	-	
Total Enterprise Fund				(660)	-	-	11,239	11,267	-	(688)	-	-	(688)	11,267	
Total State Financial Assistance				\$ (913,529)	\$ 2,254	\$ 93,995	\$ 12,878,308	\$ 12,672,257	\$ 93,995	\$ (788,003)	\$ 3,476	\$ 79,303	\$ (135,486)	\$ 12,672,257	
General Fund - On Behalf TPAF															
Pension Contributions							(5,578,451)	(5,578,451)							
NCGI Pension Contributions							(63,619)	(63,619)							
Post Retirement Medical Contrib.							(1,535,565)	(1,535,565)							
LTDI							(1,953)	(1,953)							
							\$ 5,698,720	\$ 5,492,669							

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 REPORTING ENTITY

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$67,037 for the general fund and an increase of \$180,732 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 27,319	\$ 12,147,279	\$ 12,174,598
Special Revenue Fund	1,654,441	353,059	2,007,500
Capital Projects Fund	356,731		356,731
Debt Service Fund		227,689	227,689
Food Service Enterprise Fund	<u>259,769</u>	<u>11,267</u>	<u>271,036</u>
Total Awards Financial Assistance	<u>\$ 2,298,260</u>	<u>\$ 12,739,294</u>	<u>\$ 15,037,554</u>

**HASBROUCK HEIGHTS BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,171,407 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$5,642,070, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,535,565 and TPAF Long-Term Disability Insurance in the amount of \$1,953 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? X yes none reported

Noncompliance material to basic financial statements noted? X yes no

Federal Awards Section

Internal Control over major programs:

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

(2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance yes X no

Identification of major federal programs:

AL Number(s)

Name of Federal Program or Cluster

84.425D/84.425U

ESSER Program Cluster

Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor's Results

State Awards Section

Type of auditors' report on compliance for major programs: Unmodified

Internal Control over compliance:

- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were
not considered to be material weaknesses? X yes none reported

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

 X yes no

Identification of major programs:

GMIS Number(s)

Name of State Program

495-034-5094-003

TPAF FICA Reimbursement

495-034-5120-044

Extraordinary Special Ed Aid

Dollar threshold used to determine Type A programs

\$750,000

Auditee qualified as low-risk auditee?

 X yes no

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding 2024-001

The year-end Board Secretary general ledger cash account balances for the governmental and enterprise funds were not in agreement with the respective year-end bank account reconciliation balances.

Criteria or specific requirement:

Internal controls related to financial accounting and reporting of month end bank reconciliation.

Condition

See Finding 2024-001.

Context

General ledger cash account balances for the Special Revenue, Capital Projects, Debt Service and Enterprise Funds exceeded the available bank reconciliations cash balances by \$75,735. In addition the general ledger cash account balances for the Payroll Agency, Net Payroll and Student Activities were not in agreement with the respective bank account balances.

Effect

General ledger cash account balances do not accurately reflect the actual cash balances on hand.

Cause

General ledgers were not updated to reflect all cash transactions.

Recommendation

The Board Secretary general ledger cash account balances for the governmental and enterprise funds be adjusted to agree with the monthly bank reconciliations.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and indicated it will review and revise its procedures to ensure corrective action is taken.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding 2024-002

With respect to year end accounts and encumbrances payable:

- Our audit of payments made in the General and Special Revenue Funds subsequent to June 30, 2024 revealed unrecorded liabilities that were not reflected in the District's accounting records at year end.
- Our audit of year end open purchase orders in the Special Revenue Fund revealed certain encumbrances were deemed overstated at June 30, 2024.

Criteria or Specific Requirement

Internal controls over year end closing procedures of open orders.

Condition

Certain accounts payable were not recorded at year end. In addition, certain encumbrances were determined to have been overstated and deemed invalid at year end.

Context

- Liabilities in the General Fund for special education and maintenance of school facilities were not recorded as of June 30, 2024 in the amount of \$268,056.
- Liabilities in the Special Revenue Fund for special education expenditures were not recorded as of June 30, 2024 in the amount of \$166,585.
- Reserve for encumbrances recorded in the Special Revenue Fund totaling \$186,429 were determined to be overstated.

Effect

Financial statements may not properly reflect liabilities, expenditures and fund balance at year end.

Cause

Unknown.

Recommendation

Procedures be reviewed and revised to ensure all current year liabilities are recorded at year end. In addition open purchase orders be reviewed at year end and overstated orders be cancelled accordingly.

Views of Responsible Officials and Planned Corrective Action Plan

Management has reviewed this finding and has indicated it will review and revise its procedures to ensure corrective action is taken.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)

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

CURRENT YEAR FEDERAL AWARDS

There are none.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

CURRENT YEAR STATE AWARDS

Finding 2024-003:

Our audit of the District's Extraordinary Aid application revealed the following:

- a) The students Individualized Education Plan (IEP) did not include an intensive service that would qualify the student for Extraordinary Aid.
- b) Intensive services reported as received on the student enrollment forms were not in agreement with the student's Individualized Education Plans (IEP).

State Program Information:

Extraordinary Aid 495-034-5120-044

Criteria or Specific Requirement

State Grant Compliance Supplement

Condition:

See Finding 2024-003.

Questioned Costs:

\$158,215

Context:

- a) IEP's for student claimed for Extraordinary Aid did not include an intensive service for three (3) of the eight (8) students tested.
- b) The intensive service reported on the Extraordinary Aid student enrollment form did not agree with the intensive service reported on the student's IEP for three (3) of the eight (8) students tested. Although the differences were noted, an intensive service was reported on the IEP and therefore the student was eligible for Extraordinary Aid.

Effect:

- a) Ineligible students were claimed for Extraordinary Aid as a result of the students IEP not reporting a mandated intensive service.
- b) Intensive services reported on the Extraordinary Aid enrollment form were not in agreement with the student's IEP.

Cause:

Unknown.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

CURRENT YEAR STATE AWARDS (Continued)

Finding 2024-003 (continued):

Recommendation:

The annual application for Extraordinary Aid be reviewed to ensure that only students with intensive services reported on their Individualized Education Plan (IEP) are included. In addition, services reported on the student enrollment form as received are in agreement with the student's (IEP).

View of Responsible Official and Planned Corrective Action

Management agrees with this finding and had indicated that procedures will be implemented to take corrective action.