

**SCHOOL DISTRICT  
OF THE  
BOROUGH OF HIGH BRIDGE**

**High Bridge School District  
High Bridge, New Jersey**

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

# **Annual Comprehensive Financial Report**

**of the**

**High Bridge School District**

**High Bridge, New Jersey**

**For the Fiscal Year Ended June 30, 2024**

**Prepared by**

**High Bridge School District  
Board of Education**

HIGH BRIDGE SCHOOL DISTRICT  
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INTRODUCTORY SECTION  
(UNAUDITED)

# HIGH BRIDGE SCHOOL DISTRICT

## HIGH BRIDGE MIDDLE SCHOOL

50 Thomas Street  
High Bridge, NJ 08829  
Ph: 908-638-4101  
Fx: 908-638-4211



## HIGH BRIDGE ELEMENTARY SCHOOL

40 Fairview Avenue  
High Bridge, NJ 08829  
Ph: 908-638-4105  
Fx: 908-638-4260

Gregory A Hobaugh, Ed.D.  
Superintendent

Karolina Cywa  
SBA / Board Secretary

October 22, 2024

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
County of Hunterdon, New Jersey

Dear Board Members:

The annual comprehensive financial report of the High Bridge 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, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi- year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels Preschool through 8. These include regular as well as special education for classified children.

### **2) ECONOMIC CONDITION AND OUTLOOK:**

The Borough of High Bridge has a population of 3,546 (2020 Census). It extends 2.39 square miles, and is a small suburban community. It is primarily residential with small percentages of its land dedicated for commercial business and open space. The Mayor and Council have worked diligently to develop and upgrade the downtown business area by creating a merchant center through zoning changes and incentives. This combined effort has resulted in a much more picturesque Main Street.

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
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3) MAJOR INITIATIVES:

The Borough of High Bridge, a Preschool through Grade Eight, two-school district, takes great pride in the provision of a rigorous, high quality and inclusive educational program.

Major district initiatives include the following:

- The continuation of our preschool program, offering High Bridge residents five (5) full-day sessions, saving our families thousands of dollars.
- Provide professional development to support our Kingertargante through Fourth Grade for our newly adopted math series.
- Successfully prepare for QSAC monitoring to ensure we meet state standards in all areas.
- Increase security at both buildings by working with local, state, and federal law enforcement officials.
- Work with similar-sized school districts to enhance our programs and limit the financial impact of non-funded mandates.
- Work with local and state resources to help integrate new students into our school community.
- Implement Multi-Tiered System Support (MTSS) academic and behavioral support. The program design includes professional development (PD), and academic and behavioral support.
- Enhance our fourth year of the new reading series for grades Kindergarten through Second Grade. American Reading Company will provide trainers to instruct and mentor teaching staff, for grades Three-Five for the current year.
- Continue the No Place for Hate program implemented at both our middle and elementary schools as our Social/Emotional program, combining it with our elementary school Lunch Bunch program and various grade/building level activities.
- Our middle and elementary schools are working on identifying gaps during online learning due to COVID-19.
- Provide remediation for students who are identified as at-risk due to COVID-19.
- All middle school students will continue to participate in One Book One School to foster empathy, openness, and kindness.

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

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

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

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
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**5) BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2024.

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

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

**8) RISK MANAGEMENT:** The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board is a member of the School Alliance Insurance Fund ("SAIF"). SAIF is a risk-sharing public entity risk management pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to their members. A schedule of insurance coverage is found on J-20.

**9) OTHER INFORMATION:**

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

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
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October 22, 2024

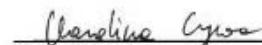
**10) ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the High Bridge Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance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

Respectfully submitted,



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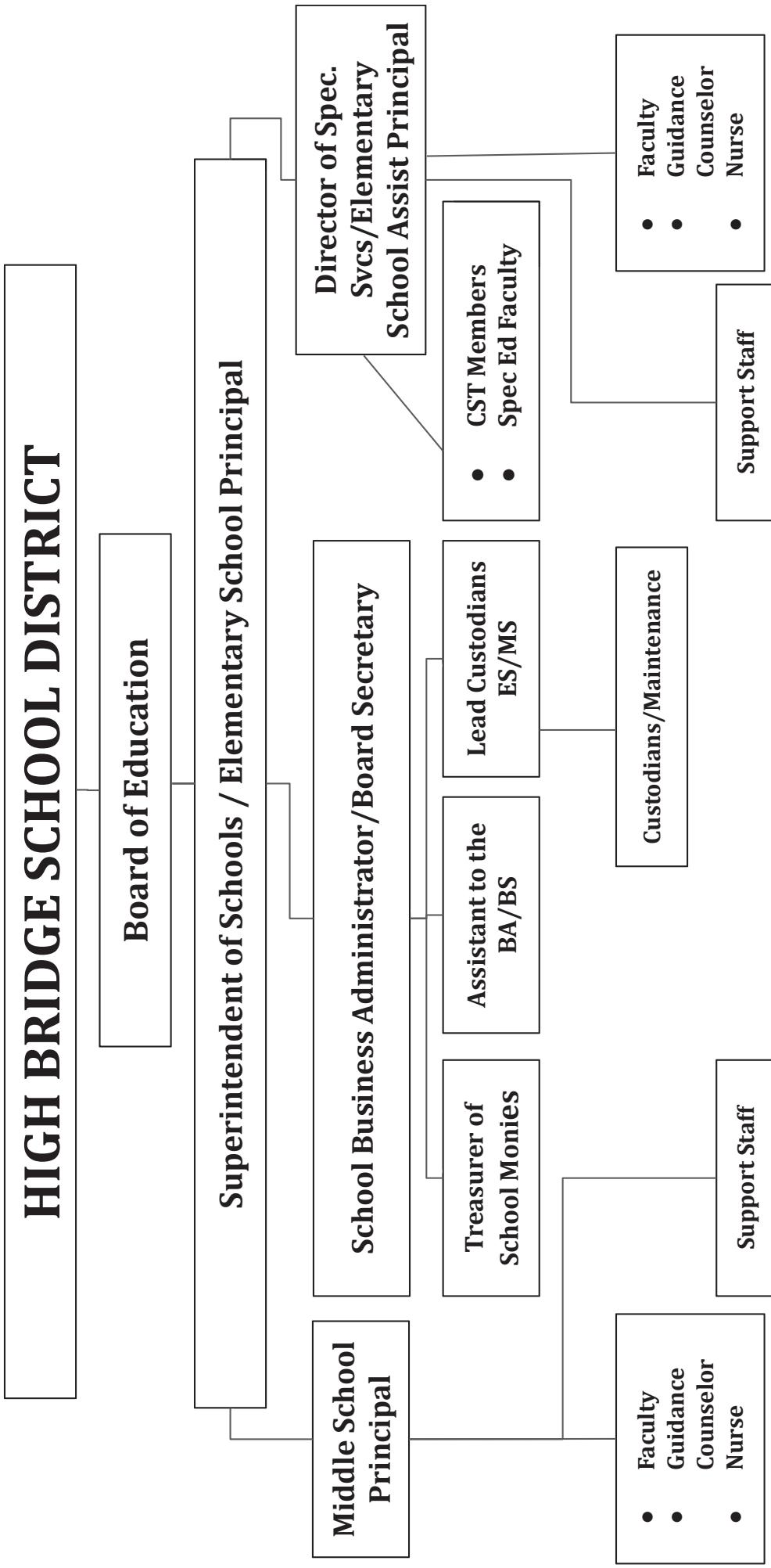
Gregory A. Hobaugh, Ed.D.  
Superintendent of Schools



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Karolina Cywa  
Business Administrator/Board Secretary

# HIGH BRIDGE SCHOOL DISTRICT



**HIGH BRIDGE SCHOOL DISTRICT**  
**ROSTER OF OFFICIALS**  
**JUNE 30, 2024**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Karyn Gove, President	2025
Erin Delgado, Vice President	2026
Robert Imhoff	2024
Cynthia Sharkey	2026
Colleen Poles	2024
Benjamin Bolger	2024
Michael McCasland	2025
<u>Other Officials</u>	<u>Title</u>
Gregory Hobaugh, Ed. D.	Superintendent
Karolina Cywa	Business Administrator/Board Secretary
Judy Favino	Treasurer of School Monies
Busch Law Group	Attorneys

**HIGH BRIDGE SCHOOL DISTRICT  
CONSULTANTS AND ADVISORS  
JUNE 30, 2024**

**Architects**

FKA Architects  
306 Ramapo Valley Road  
Oakland, NJ 07436

**Audit Firm**

Nisivoccia LLP  
Mount Arlington Corporate Center  
200 Valley Road, Suite 300  
Mount Arlington, NJ 07856

**Attorneys**

Busch Law Group  
450 Main Street  
Metuchen, NJ 08840

Schenck, Price, Smith & King, LLP  
220 Park Avenue  
Florham Park, NJ 07932

**Official Depository**

Peapack-Gladstone Bank  
PO Box 700  
Bedminster, NJ 07921

FINANCIAL SECTION

### Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
County of Hunterdon, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the High Bridge School District (the “District”), in the County of Hunterdon, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

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

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
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### ***Supplementary Information***

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

### ***Other Information***

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

October 22, 2024  
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski  
Licensed Public School Accountant #2684  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION -  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**High Bridge School District**  
**Management's Discussion and Analysis**

This section of High Bridge School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

**Using this Annual Comprehensive Financial Report (ACFR)**

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

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

**Overview of the Financial Statements**

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

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds statements* offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services.

**High Bridge School District**  
**Management's Discussion and Analysis**

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

**Figure A-1**  
**Organization of High Bridge School District's Financial Report**

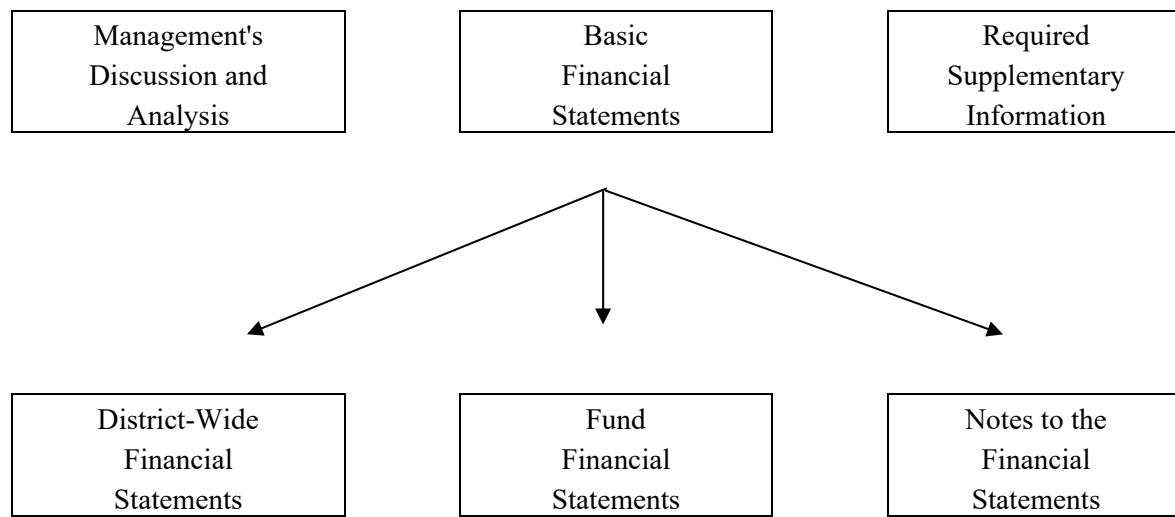


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents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

**High Bridge School District**  
**Management's Discussion and Analysis**

**Figure A-2**

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

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

## **High Bridge School District** **Management's Discussion and Analysis**

### ***District-wide Statements***

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

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

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

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

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

### ***Fund Financial Statements***

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

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

The District has two kinds of funds:

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

**High Bridge School District**  
**Management's Discussion and Analysis**

*Notes to the Basic Financial Statements:* Provide additional information essential to a full understanding of District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

Net Position. The District's combined net position was \$11,189,832 on June 30, 2024, which was an increase of \$685,076 or 6.52% from the prior year (See Figure A-3).

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

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2023/24
	2023/24	2022/23*	2023/24	2022/23*	2023/24	2022/23*	
Current and Other Assets	\$ 6,394,172	\$ 6,312,498	\$ 74,629	\$ 111,636	\$ 6,468,801	\$ 6,424,134	
Capital Assets, Net	7,654,796	7,434,811	20,916	174	7,675,712	7,434,985	
Lease Assets, Net		640				640	
<b>Total Assets</b>	<b>14,048,968</b>	<b>13,747,949</b>	<b>95,545</b>	<b>111,810</b>	<b>14,144,513</b>	<b>13,859,759</b>	<b>2.05%</b>
Deferred Outflows of Resources	155,132	247,617			155,132	247,617	-37.35%
Other Liabilities	887,053	808,953	27,227	30,080	914,280	839,033	
Long-Term Liabilities							
Outstanding	1,943,468	2,487,094			1,943,468	2,487,094	
<b>Total Liabilities</b>	<b>2,830,521</b>	<b>3,296,047</b>	<b>27,227</b>	<b>30,080</b>	<b>2,857,748</b>	<b>3,326,127</b>	<b>-14.08%</b>
Deferred Inflows of Resources	252,065	276,493			252,065	276,493	-8.83%
Net Position:							
Net Investment in							
Capital Assets	6,639,796	5,954,740	20,916	174	6,660,712	5,954,914	
Restricted	4,298,602	3,651,626			4,298,602	3,651,626	
Unrestricted/(Deficit)	183,116	816,660	47,402	81,556	230,518	898,216	
<b>Total Net Position</b>	<b>\$ 11,121,514</b>	<b>\$ 10,423,026</b>	<b>\$ 68,318</b>	<b>\$ 81,730</b>	<b>\$ 11,189,832</b>	<b>\$ 10,504,756</b>	<b>6.52%</b>

\* Restated

**High Bridge School District**  
**Management's Discussion and Analysis**

Changes in Net Position. Net position from governmental activities increased by \$698,488 which is mainly due to an increase in property taxes and interest income offset by a decrease in State Aid and an increase in expenditures, and net position from business activities decreased by \$13,412 due to expenses exceeding revenues related to Food Service.

**Figure A-4**  
**Changes in Net Position from Operating Results**

	Governmental	Business-Type	Total School	Governmental	Business-Type	Total School	Total
	Activities	Activities	District	Activities	Activities	District	Percentage
	2023/24	2023/24	2023/24	2022/23	2022/23	2022/23	Change
<b>Revenue:</b>							
Program Revenue:							
Charges for Services	\$ 63,078	\$ 78,350	\$ 141,428	\$ 46,708	\$ 97,993	\$ 144,701	
Operating Grants and Contributions	4,284,277	66,456	4,350,733	4,650,083	63,575	4,713,658	
General Revenue:							
Property Taxes	7,429,290		7,429,290	7,290,071		7,290,071	
Other	267,541	44	267,585	147,599	22	147,621	
<b>Total Revenue</b>	<b>12,044,186</b>	<b>144,850</b>	<b>12,189,036</b>	<b>12,134,461</b>	<b>161,590</b>	<b>12,296,051</b>	<b>-0.87%</b>
<b>Expenses:</b>							
Instruction	6,594,362		6,594,362	6,664,256		6,664,256	
Pupil and Instruction Services	2,263,733		2,263,733	2,020,083		2,020,083	
Administrative and Business	749,256		749,256	691,548		691,548	
Maintenance and Operations	1,555,175		1,555,175	1,021,788		1,021,788	
Pupil Transportation	24,741		24,741	34,434		34,434	
Other	158,431	158,262	316,693	495,808	155,152	650,960	
<b>Total Expenses</b>	<b>11,345,698</b>	<b>158,262</b>	<b>11,503,960</b>	<b>10,927,917</b>	<b>155,152</b>	<b>11,083,069</b>	<b>3.80%</b>
<b>Increase/(Decrease) in Net Position</b>	<b>\$ 698,488</b>	<b>\$ (13,412)</b>	<b>\$ 685,076</b>	<b>\$ 1,206,544</b>	<b>\$ 6,438</b>	<b>\$ 1,212,982</b>	<b>-43.52%</b>

### **Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District improved. The District will continue sound fiscal management in order to maintain its existing programs, provide programs and services for students with special needs and meet the rising costs of fixed obligations.

Careful management of expenses remains essential for the District to maintain its financial health.

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

**High Bridge School District**  
**Management's Discussion and Analysis**

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

**Figure A-5**

	<b>Net Cost of Governmental Activities</b>			
	Total Cost of Services 2023/24	Net Cost of Services 2023/24	Total Cost of Services 2022/23	Net Cost of Services 2022/23
Instruction	\$ 6,594,362	\$ 2,633,269	\$ 6,664,256	\$ 2,333,541
Pupil and Instruction Services	2,263,733	2,069,813	2,020,083	1,830,730
Administrative and Business	749,256	578,077	691,548	532,595
Maintenance and Operations	1,555,175	1,555,175	1,021,788	1,021,788
Transportation	24,741	3,578	34,434	16,664
Other	158,431	158,431	495,808	495,808
	\$ 11,345,698	\$ 6,998,343	\$ 10,927,917	\$ 6,231,126

***Business-Type Activities***

Net position from the District's business-type activities decreased by \$13,412 due to Food Service Fund expenses exceeding revenues (Refer to Figure A-4).

**Financial Analysis of the District's Funds**

The District's financial position decreased during the year mainly due to a decrease in state aid, increase in governmental activities expenses, and business activities expenses exceeding revenues offset by an increase in property taxes and interest income. Programs were reduced in order to balance the budget. The Board of Education meets monthly to review any items that may have a significant financial impact on the District, and address each item accordingly.

**General Fund Budgetary Highlights**

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

**High Bridge School District**  
**Management's Discussion and Analysis**

**Capital Asset and Long Term Liabilities**

**Figure A-6**

	<b>Capital Assets (Net of Depreciation)</b>						Percentage Change 2023/24	
	Governmental Activities		Business-Type Activities		Total School District			
	2023/24	2022/23*	2023/24	2022/23*	2023/24	2022/23*		
Land	\$ 4,826,600	\$ 4,826,600			\$ 4,826,600	\$ 4,826,600		
Construction in Progress	12,119	12,119			12,119	12,119		
Site Improvements	90,435	98,638			90,435	98,638		
Buildings and Building Improvements	2,276,972	2,182,343			2,276,972	2,182,343		
Furniture, Machinery, and Equipment	<u>448,670</u>	<u>315,111</u>	<u>\$ 20,916</u>	<u>\$ 174</u>	<u>469,586</u>	<u>315,285</u>		
<b>Total Capital Assets (Net of Depreciation)</b>	<b><u>\$ 7,654,796</u></b>	<b><u>\$ 7,434,811</u></b>	<b><u>\$ 20,916</u></b>	<b><u>\$ 174</u></b>	<b><u>\$ 7,675,712</u></b>	<b><u>\$ 7,434,985</u></b>	<b>3.24%</b>	

\* Restated

**Figure A-7**

**Outstanding Long-Term Liabilities**

	2023/24		Percentage Change 2023/24
	2023/24	2022/23	
Bonds Payable	\$ 1,015,000	\$ 1,480,000	
Net Pension Liability	661,608	898,603	
Leases Payable		711	
Compensated Absences Payable	<u>266,860</u>	<u>107,780</u>	
	<u>\$ 1,943,468</u>	<u>\$ 2,487,094</u>	-21.86%

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

The High Bridge School District has seen a significant decrease in state funding over the past two (2) years. We anticipate more cuts this year due to the state funding formula.

It has proven to be a challenging year as we explored different avenues of saving money and reducing expenses. A major concern is the continued reliance on local property taxes in light of possible state funding decreases. It has become increasingly difficult for the District to maintain their level of service with the increases in property tax rates. This problem appears to be statewide, and is not exclusive to High Bridge School District.

The District must allocate funds for "fixed" obligations, which increase from year to year. The State mandates that two-tenths of one percent of the buildings' value be set aside in the annual budget for "required" building maintenance. A maintenance reserve account was established a few years ago to provide for unexpected building repairs. In addition, the budget includes funds for repair and maintenance of the District's equipment. Special education programs and related services, including out of district placements and transportation, cannot be predicted with certainty; however, the District maintains its commitment to meet the needs of these students. A large cost savings is continued to be recognized from the District's integrated preschool program which provides services in district rather than paying the higher cost of out-of-district tuition.

**High Bridge School District  
Management's Discussion and Analysis**

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 40 Fairview Avenue, High Bridge, NJ 08829.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

HIGH BRIDGE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,162,615	\$ 66,715	\$ 2,229,330
Receivables from State Government	488,219	88	488,307
Receivables from Federal Government	38,410	1,467	39,877
Receivables from Other Governments	14,281		14,281
Other Receivables	2,655		2,655
Inventories		6,359	6,359
Restricted Cash and Cash Equivalents	3,687,992		3,687,992
Capital Assets, Net:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	7,654,796	20,916	7,675,712
<b>Total Assets</b>	<b>14,048,968</b>	<b>95,545</b>	<b>14,144,513</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	<u>155,132</u>		155,132
<b>Total Deferred Outflows of Resources</b>	<b>155,132</b>		<b>155,132</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	264,559	5,736	270,295
Accrued Interest Payable	19,031		19,031
Unearned Revenue	603,463	21,491	624,954
Noncurrent Liabilities:			
Due Within One Year	495,000		495,000
Due Beyond One Year	<u>1,448,468</u>		1,448,468
<b>Total Liabilities</b>	<b>2,830,521</b>	<b>27,227</b>	<b>2,857,748</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	<u>252,065</u>		252,065
<b>Total Deferred Inflows of Resources</b>	<b>252,065</b>		<b>252,065</b>
<b>NET POSITION/(DEFICIT)</b>			
Net Investment in Capital Assets	6,639,796	20,916	6,660,712
Restricted for:			
Capital Projects	2,859,781		2,859,781
Maintenance	577,331		577,331
Excess Surplus	610,610		610,610
Unemployment Compensation	230,954		230,954
Student Activities	19,926		19,926
Unrestricted	<u>183,116</u>	<u>47,402</u>	230,518
<b>Total Net Position</b>	<b>\$ 11,121,514</b>	<b>\$ 68,318</b>	<b>\$ 11,189,832</b>

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

HIGH BRIDGE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Governmental Activities	Business-type Activities
					Total
<b>Governmental Activities:</b>					
Instruction:					
Regular	\$ 4,388,290	\$ 20,783	\$ 3,073,228	\$ (1,294,279)	\$ (1,294,279)
Special Education	1,924,137		809,976	(1,114,161)	(1,114,161)
Other Special Instruction	281,935		57,106	(224,829)	(224,829)
Support Services:					
Student and Instruction Related Services	2,263,733	42,295	151,625	(2,069,813)	(2,069,813)
General Administrative Services	342,883		68,318	(274,565)	(274,565)
School Administrative Services	280,632		71,309	(209,323)	(209,323)
Central Services	110,789		31,552	(79,237)	(79,237)
Administrative Information Technology	14,952			(14,952)	(14,952)
Plant Operations and Maintenance	1,555,175			(1,555,175)	(1,555,175)
Pupil Transportation	24,741		21,163	(3,578)	(3,578)
Interest on Long-Term Debt	65,281			(65,281)	(65,281)
Capital Outlay	93,150			(93,150)	(93,150)
<b>Total Governmental Activities</b>	<b>11,345,698</b>	<b>63,078</b>	<b>4,284,277</b>	<b>(6,998,343)</b>	<b>(6,998,343)</b>
<b>Business-Type Activities:</b>					
Food Service	158,262	78,350	66,456	\$ (13,456)	(13,456)
<b>Total Business-Type Activities</b>	<b>158,262</b>	<b>78,350</b>	<b>66,456</b>	<b>(13,456)</b>	<b>(13,456)</b>
<b>Total Primary Government</b>	<b>\$ 11,503,960</b>	<b>\$ 141,428</b>	<b>\$ 4,350,733</b>	<b>(6,998,343)</b>	<b>(13,456)</b>
					<b>(7,011,799)</b>

HIGH BRIDGE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Net (Expense) Revenue and Changes in Net Position			
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 6,969,643		\$ 6,969,643
Taxes Levied for Debt Service	459,647		459,647
Federal, State and Local Aid not Restricted	79,353		79,353
Interest Earnings	113,709	\$ 44	113,753
Restricted Miscellaneous Revenue	54,885		54,885
Unrestricted Miscellaneous Income	19,594		19,594
Total General Revenues	<u>7,696,831</u>	<u>44</u>	<u>7,696,875</u>
Change in Net Position	698,488	(13,412)	685,076
Net Position - Beginning (Restated)	<u>10,423,026</u>	<u>81,730</u>	<u>10,504,756</u>
Net Position - Ending	<u>\$ 11,121,514</u>	<u>\$ 68,318</u>	<u>\$ 11,189,832</u>

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

FUND FINANCIAL STATEMENTS

HIGH BRIDGE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,695,562	\$ 467,053	\$ 2,162,615
Receivables From State Government	488,219		488,219
Receivables From Federal Government		38,410	38,410
Receivables From Other Governments		14,281	14,281
Other Accounts Receivables	2,655		2,655
Restricted Cash and Cash Equivalents	3,668,066	19,926	3,687,992
<b>Total Assets</b>	<b><u>\$ 5,854,502</u></b>	<b><u>\$ 539,670</u></b>	<b><u>\$ 6,394,172</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>			
Liabilities:			
Accounts Payable	\$ 187,079	\$ 2,480	\$ 189,559
Unearned Revenue		603,463	603,463
<b>Total Liabilities</b>	<b><u>187,079</u></b>	<b><u>605,943</u></b>	<b><u>793,022</u></b>
Fund Balances:			
Restricted for:			
Capital Reserve	2,859,781		2,859,781
Maintenance Reserve	577,331		577,331
Excess Surplus - 2024-2025	651,018		651,018
Excess Surplus - 2025-2026	610,610		610,610
Unemployment Compensation	230,954		230,954
Student Activities		19,926	19,926
Assigned:			
Encumbrances	202,187		202,187
Unassigned			
General Fund	535,542		535,542
Special Revenue Fund/(Deficit)		(86,199)	(86,199)
<b>Total Fund Balances/(Deficit)</b>	<b><u>5,667,423</u></b>	<b><u>(66,273)</u></b>	<b><u>5,601,150</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 5,854,502</u></b>	<b><u>\$ 539,670</u></b>	<b><u>\$ 6,394,172</u></b>

HIGH BRIDGE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

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

Total Fund Balances (above)	\$ 5,601,150
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds.	7,654,796
Long-term liabilities, including, Bonds Payable, Leases Payable, and Financed Purchases Payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,281,860)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(19,031)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds.	
Net Pension Liability	(661,608)
Deferred Outflows	80,132
Deferred Inflows	<u>(252,065)</u>
Net Position of Governmental Activities (Exhibit A-1)	<u>\$ 11,121,514</u>

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

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

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>				
Local Sources:				
Local Tax Levy	\$ 6,969,643		\$ 459,647	\$ 7,429,290
Tuition Charges	20,783			20,783
Rents and Royalties	8,100			8,100
Interest Earned	63,120			63,120
Interest Earned on Maintenance Reserve Funds	10,275			10,275
Interest Earned on Capital Reserve Funds	40,314			40,314
Restricted Miscellaneous Revenue	12,590	\$ 42,295		54,885
Miscellaneous	11,494	3,359		14,853
Total - Local Sources	<u>7,136,319</u>	<u>45,654</u>	<u>459,647</u>	<u>7,641,620</u>
State Sources	3,276,444	832,488	79,353	4,188,285
Federal Sources		437,678		437,678
Total Revenues	<u>10,412,763</u>	<u>1,315,820</u>	<u>539,000</u>	<u>12,267,583</u>
<b>EXPENDITURES:</b>				
Current:				
Regular Instruction	2,097,998	592,255		2,690,253
Special Education Instruction	1,002,841	11,022		1,013,863
Other Special Instruction	99,353			99,353
School Sponsored/Other Instruction	47,170			47,170
Support Services and Undistributed Costs:				
Student & Instruction Related Services	1,277,864	633,102		1,910,966
General Administrative Services	223,861			223,861
School Administrative Services	158,376			158,376
Central Services	59,514			59,514
Administration Information Technology	14,952			14,952
Plant Operations and Maintenance	1,397,285			1,397,285
Pupil Transportation	24,741			24,741
Unallocated Benefits	3,633,432			3,633,432
Debt Service:				
Principal			465,000	465,000
Interest and Other Charges			74,000	74,000
Capital Outlay	<u>321,857</u>	<u>143,105</u>		<u>464,962</u>
Total Expenditures	<u>10,359,244</u>	<u>1,379,484</u>	<u>539,000</u>	<u>12,277,728</u>
Excess/(Deficiency) of Revenue over/(under) Expenditures	<u>53,519</u>	<u>(63,664)</u>		<u>(10,145)</u>
<b>OTHER FINANCING SOURCES/(USES):</b>				
Transfers	(59,448)	59,448		
Total Other Financing Sources/(Uses)	<u>(59,448)</u>	<u>59,448</u>		
Net Change in Fund Balances	(5,929)	(4,216)		(10,145)
Fund Balance/(Deficit)—July 1	<u>5,673,352</u>	<u>(62,057)</u>		<u>5,611,295</u>
Fund Balance/(Deficit)—June 30	<u>\$ 5,667,423</u>	<u>\$ (66,273)</u>	<u>\$ -0-</u>	<u>\$ 5,601,150</u>

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

HIGH BRIDGE SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (10,145)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

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

Depreciation expense	\$ (151,827)	219,985
Capital Asset Additions	<u>371,812</u>	

Capital outlays related to lease assets are reported in Governmental Funds as expenditures.

However, in the Statement of Activities the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period.

Amortization Expense	(640)
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(159,080)

Repayment of bond principal 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. (+)

465,000

Repayment of leases 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.

711

In the Statement of Activities, interest on Long-Term Debt in the Statement of Activities is accrued, regardless of when due. In the Governmental Funds, interest is reported when due. When accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).

8,719

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

Change in Net Pension Liability	236,995
Change in Deferred Outflows	(87,485)
Change in Deferred Inflows	<u>24,428</u>

Change in Net Position - Governmental Funds (Exhibit A-2)

\$ 698,488

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

HIGH BRIDGE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2024

	Business-Type Activities	Enterprise Funds
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 66,715	
Intergovernmental Accounts Receivable:		
State	88	
Federal	1,467	
Inventories	6,359	
	<hr/>	<hr/>
Total Current Assets	74,629	
Non-Current Assets:		
Capital Assets	192,732	
Less: Accumulated Depreciation	<hr/>	<hr/>
	(171,816)	
Total Non-Current Assets	20,916	
Total Assets	<hr/>	<hr/>
	95,545	
<b>LIABILITIES:</b>		
Current Liabilities:		
Accounts Payable	5,736	
Unearned Revenue - Prepaid Sales	235	
Unearned Revenue - Supply Chain Assistance	18,851	
Unearned Revenue - Donated Commodities	<hr/>	<hr/>
	2,405	
Total Liabilities	<hr/>	<hr/>
	27,227	
<b>NET POSITION:</b>		
Investment in Capital Assets	20,916	
Unrestricted	<hr/>	<hr/>
	47,402	
Total Net Position	<hr/>	<hr/>
	\$ 68,318	

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

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

	Business-Type Activities
	Enterprise Funds
Operating Revenue:	
Daily Sales:	
Reimbursable Programs	\$ 55,990
Non-Reimbursable Programs	21,561
Other Sales	799
	<hr/>
Total Operating Revenue	78,350
	<hr/>
Operating Expenses:	
Cost of Sales:	
Reimbursable Programs	55,636
Non-Reimbursable Programs	22,219
Salaries	44,486
Employee Benefits and Payroll Taxes	13,820
Other Purchased Services	9,000
Miscellaneous Expenses	12,927
Depreciation Expense	174
	<hr/>
Total Operating Expenses	158,262
	<hr/>
Operating Loss	(79,912)
	<hr/>
Non-Operating Revenue:	
Local Sources:	
Interest Income	44
State Sources:	
State School lunch Program	2,054
Federal Sources:	
National School Lunch Program	34,830
School Breakfast Program	78
Food Distribution Program	12,796
COVID 19 - Supply Chain Assistance	16,045
COVID 19 - Pandemic EBT Cost Reimbursement	653
	<hr/>
Total Non-Operating Revenue	66,500
	<hr/>
Change in Net Position	(13,412)
	<hr/>
Net Position - Beginning of Year (Restated)	81,730
	<hr/>
Net Position - End of Year	\$ 68,318
	<hr/>

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

**HIGH BRIDGE SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-Type Activities	Enterprise Funds
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 77,536	
Payments to Food Service Contractor	(133,205)	
Payments to Suppliers	(11,160)	
Net Cash (Used for) Operating Activities	<u>(66,829)</u>	
Cash Flows from Financing Activities:		
Interest Income	<u>44</u>	
Net Cash Provided by Capital and Related Financing Activities	<u>44</u>	
Cash Flows from Capital and Related Financing Activities:		
Purchase of Capital Assets	<u>(20,916)</u>	
Net Cash (Used for) Capital and Related Financing Activities	<u>(20,916)</u>	
Cash Flows from Noncapital Financing Activities:		
Interfund Returned - General Fund	<u>51,346</u>	
Net Cash Provided by Noncapital Financing Activities	<u>51,346</u>	
Net Decrease in Cash and Cash Equivalents	(36,355)	
Cash and Cash Equivalents, July 1	<u>103,070</u>	
Cash and Cash Equivalents, June 30	<u>\$ 66,715</u>	
Reconciliation of Operating (Loss) to Net Cash		
Used for Operating Activities:		
Adjustment to Reconcile Operating (Loss) to Net Cash	\$ (79,912)	
Used for Operating Activities:		
Operating (Loss)	\$ (79,912)	
Depreciation	174	
Food Distribution Program	12,796	
Changes in Assets and Liabilities:		
(Increase) in Inventory	(177)	
Increase in Accounts Payable	1,488	
(Decrease) in Unearned Revenue - Prepaid Sales	(814)	
(Decrease) in Unearned Revenue - Donated Commodities	<u>(384)</u>	
Net Cash (Used for) Operating Activities	<u>\$ (66,829)</u>	

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$12,412 and utilized U.S.D.A. Commodities valued at \$12,796.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

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

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

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

B. Basis of Presentation: (Cont'd)

Fund Financial Statements:

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

The District reports the following governmental funds:

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

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

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

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

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

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

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

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

	General Fund	Special Revenue Fund
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
from the Budgetary Comparison Schedule	\$ 10,377,988	\$ 1,317,202
<b>Differences - Budget to GAAP:</b>		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary basis recognizes Encumbrances as Expenditures and Revenue whereas the GAAP basis does not.		
Current Year Encumbrances	(13,303)	
Cancellation of Prior Year Encumbrances	(5)	
Prior Year Encumbrances	13,891	
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	109,841	84,234
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(75,066)	(86,199)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 10,412,763</u>	<u>\$ 1,315,820</u>
<b>Uses/Outflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 10,359,244	\$ 1,378,901
<b>Differences - Budget to GAAP:</b>		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances	(13,303)	
Cancellation of Prior Year Encumbrances	(5)	
Prior Year Encumbrances	13,891	
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 10,359,244</u>	<u>\$ 1,379,484</u>

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

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

E. Cash and Cash Equivalents and Investments:

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

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

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

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

H. Encumbrances: (Cont'd)

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year end.

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

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

K. Capital Assets:

The District has established a formal system of accounting for its capital assets. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

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

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

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

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

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

L. Lease Assets:

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

M. Subscription Assets:

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

N. Long Term Liabilities:

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

O. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2024.

P. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee contracts/agreements.

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

Q. Lease Payable

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

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

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

R. Unearned Revenue:

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

S. Subscription Payable:

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

T. Fund Balance Appropriated:

General Fund: Of the \$5,667,423 General Fund fund balance at June 30, 2024, \$2,859,781 is restricted in the capital reserve account; \$577,331 is restricted in the maintenance reserve account; \$610,610 is current year excess surplus and will be anticipated and included as anticipated revenue for the fiscal year ending June 30, 2026; \$651,018 is prior fiscal year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2025; \$202,187 is assigned for year end encumbrances; \$230,954 is restricted for unemployment compensation; and \$535,542 is unassigned, which is \$75,066 more than the calculated maximum unassigned fund balance, on a GAAP Basis, due to the final state aid payments, which are not recognized until the fiscal year ending June 30, 2025.

Special Revenue Fund: The Special Revenue Fund had a deficit in fund balance of \$66,273 at June 30, 2024. There is a deficit in unassigned fund balance of \$86,199 due to the last two state aid payments, which are not recognized on a GAAP Basis, and \$19,926 is restricted for student activities.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation. New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted above.

The District's unassigned fund balance in the General Fund and Special Revenue Fund is less on a GAAP basis than the budgetary basis by \$75,066 and \$86,199 respectively as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final state aid payments and not the fund balance reported on the fund statement which excludes the last state aid payments.

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

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

U. Deficit in Net Position/Fund Balance:

The District has a deficit in unassigned fund balance of \$86,199 and a total deficit in fund balance of \$66,273 in the Special Revenue Fund due to the last two state aid payments for the Preschool Education Aid Program payments which are not recognized as revenue as of June 30, 2024.

V. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2024 related to pensions.

The District had a deferred inflow of resources at June 30, 2024 related to pensions.

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

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

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

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

W. Fund Balance Restrictions, Commitments and Assignments:

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

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

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

W. Fund Balance Restrictions, Commitments and Assignments (Cont'd):

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2024.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources in the General Fund for encumbrances at June 30, 2024.

X. Revenue - Exchange and Nonexchange Transactions:

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

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

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

Y. Operating Revenue and Expenses:

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

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

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

Z. Management Estimates:

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

AA. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the section of this note on investments.

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

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

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

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;

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

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

Investments: (Cont'd)

- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4) ; or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c.313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

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

Investments: (Cont'd)

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

	Restricted Cash and Cash Equivalents					Total
	Cash and Cash Equivalents	Capital	Maintenance	Unemployment Compensation	Student Activities	
		Reserve Account	Reserve Account			
Checking & Savings Accounts	\$ 2,229,330	\$ 2,859,781	\$ 577,331	\$ 230,954	\$ 19,926	\$ 5,917,322
	<u>\$ 2,229,330</u>	<u>\$ 2,859,781</u>	<u>\$ 577,331</u>	<u>\$ 230,954</u>	<u>\$ 19,926</u>	<u>\$ 5,917,322</u>

During the period ended June 30, 2024 the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$5,917,322 and the bank balance was \$4,617,777.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the High Bridge Board of Education by inclusion of \$1 on October 9, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$ 2,215,516
Increased by:	
Interest Earnings	40,314
Board Resolution June 2024	<u>708,000</u>
	2,963,830
Decreased by:	
Withdrawal by Resolution	<u>(104,049)</u>
Ending Balance, June 30, 2024	<u>\$ 2,859,781</u>

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

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

The June 30, 2024 Capital Reserve balance does not exceed the local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). The withdrawals from the capital reserve account was for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$1 was established by the High Bridge Board of Education on June 30, 2003. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

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

The activity of the maintenance reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$ 544,551
<b>Increased by:</b>	
Interest Earnings	10,275
Board Resolution June 2024	<u>68,000</u>
	78,275
<b>Decreased by:</b>	
Withdrawal by Resolution	<u>(45,495)</u>
Ending Balance, June 30, 2024	<u><u>\$ 577,331</u></u>

NOTE 6. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2024, the District transferred \$430 to the Capital Outlay accounts for equipment which did not require County Superintendent approval. The District also transferred \$3,914 to the facilities and acquisition and construction services account, which the District received required County Superintendent approval.

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

NOTE 7. CAPITAL ASSETS

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

	(Restated)	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets not Being Depreciated:					
Sites (Land)	\$ 4,826,600				\$ 4,826,600
Construction in Progress	12,119				12,119
Total Capital Assets	<u>4,838,719</u>				<u>4,838,719</u>
Not Being Depreciated	<u>4,838,719</u>				<u>4,838,719</u>
Capital Assets Being Depreciated:					
Site Improvements	461,991				461,991
Buildings and Building Improvements	4,934,293	\$ 198,612			5,132,905
Machinery and Equipment	<u>2,072,575</u>	173,200			<u>2,245,775</u>
Total Capital Assets	<u>7,468,859</u>	371,812			<u>7,840,671</u>
Being Depreciated	<u>7,468,859</u>	371,812			<u>7,840,671</u>
Governmental Activities Capital Assets	<u>12,307,578</u>	371,812			<u>12,679,390</u>
Less Accumulated Depreciation for:					
Site Improvements	(363,353)	(8,203)			(371,556)
Buildings and Building Improvements	(2,751,950)	(103,983)			(2,855,933)
Machinery and Equipment	<u>(1,757,464)</u>	(39,641)			<u>(1,797,105)</u>
	<u>(4,872,767)</u>	<u>(151,827)</u>			<u>(5,024,594)</u>
Governmental Activities Capital Assets,					
Net of Accumulated Depreciation	<u>\$ 7,434,811</u>	<u>\$ 219,985</u>	<u>\$ - 0 -</u>		<u>\$ 7,654,796</u>
<b>Business Type Activities:</b>					
Capital Assets Being Depreciated:					
Furniture and Equipment	\$ 171,816	\$ 20,916			\$ 192,732
Less Accumulated Depreciation	<u>(171,642)</u>	<u>(174)</u>			<u>(171,816)</u>
Business Type Activities Capital Assets,					
Net of Accumulated Depreciation	<u>\$ 174</u>	<u>\$ 20,742</u>	<u>\$ - 0 -</u>		<u>\$ 20,916</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 3,113
Special Education Instruction	2,839
Other Special Instruction	1,898
Other Instruction	1,670
Student and Instruction Related Services	1,928
School Administrative Services	2,095
General Administrative Services	8,001
Operations and Maintenance of Plant	<u>130,283</u>
	<u>\$ 151,827</u>

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

NOTE 8. LEASE ASSETS

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

	Beginning Balance	Increases	Ending Balance
<b>Governmental Activities:</b>			
Lease Assets Being Amortized:			
Machinery and Equipment	\$ 31,034		\$ 31,034
Total Lease Assets Being Amortized	<u>31,034</u>		<u>31,034</u>
Governmental Activities Lease Assets	<u>31,034</u>		<u>31,034</u>
Less Accumulated Amortization for:			
Machinery and Equipment	<u>(30,394)</u>	\$ (640)	<u>(31,034)</u>
Governmental Activities Lease Assets, Net of Accumulated Amortization	<u>\$ 640</u>	<u>\$ (640)</u>	<u>\$ -0-</u>

Amortization expense was charged to governmental functions as follows:

Regular Instruction	\$ 640
	<u>\$ 640</u>

NOTE 9. LONG-TERM LIABILITIES

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

	Balance 6/30/2023	Accrued	Retired	Balance 6/30/2024
Bonds Payable	\$ 1,480,000		\$ 465,000	\$ 1,015,000
Compensated Absences				
Payable	107,780	\$ 171,685	12,605	266,860
Leases Payable	711		711	
Net Pension Liability	<u>898,603</u>		<u>236,995</u>	<u>661,608</u>
	<u>\$ 2,487,094</u>	<u>\$ 171,685</u>	<u>\$ 714,600</u>	<u>\$ 1,943,468</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

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

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

The District had bonds outstanding as of June 30, 2024 as follows:

Serial Bonds - 1999 Refunding Bonds

Final Maturity Date	Interest Rate	Amount
2/15/2026	4.90%	<u>\$ 1,015,000</u>

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

Fiscal Year Ending June 30,	Bonds		
	Principal	Interest	Total
2025	\$ 495,000	\$ 50,120	\$ 545,120
2026	<u>520,000</u>	<u>25,110</u>	<u>545,110</u>
	<u><u>\$ 1,015,000</u></u>	<u><u>\$ 75,230</u></u>	<u><u>\$ 1,090,230</u></u>

The bonds will be liquidated by the Debt Service Fund.

B. Bonds Authorized But Not Issued:

As of June 30, 2024, the Board had no bonds authorized but not issued.

C. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability. There is no current portion of the compensated absences balance of the governmental funds and business type activities in the current year. The long term portion compensated absences of the governmental funds as of June 30, 2024 is \$266,860.

Compensated absences will be liquidated by the General Fund.

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2024 is \$0 and the long-term portion is \$661,608. See Note 10 for further information on the PERS.

E. Financed Purchases Payable:

As of June 30, 2024, the Board had no finances purchases payable.

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

NOTE 10. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

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

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$61,049 for 2024. During the fiscal year ended June 30, 2023, the State of New Jersey contribute \$2,063 to the PERS for normal pensions benefits on behalf of the District.

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

Special Funding Situation

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

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

At June 30, 2024, the District reported a liability of \$661,608 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.00457%, which was a decrease of 0.00139% from its proportion measured as of June 30, 2022.

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

For the fiscal year ended June 30, 2024, the District recognized an actual pension benefit of \$113,610. Additionally, for the fiscal year ended June 30, 2023, the State of New Jersey recognized pension expense on behalf of the District in the amount of \$2,063 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2019	5.21		\$ 3,594
	2020	5.16		32,700
	2021	5.13	\$ 1,453	
	2022	5.04		3,802
			<u>1,453</u>	<u>40,096</u>
Changes in Proportion	2019	5.21		23,641
	2020	5.16	42,645	
	2021	5.13	3,626	
	2022	5.04	23,035	
	2023	5.08		<u>185,624</u>
			<u>69,306</u>	<u>209,265</u>
Difference Between Expected and Actual Experience	2019	5.21	275	
	2020	5.16	1,822	
	2021	5.13		1,155
	2022	5.04		1,549
	2023	5.08	<u>4,229</u>	
			<u>6,326</u>	<u>2,704</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	10,245	
	2021	5.00	(85,209)	
	2022	5.00	101,379	
	2023	5.00	<u>(23,368)</u>	
			<u>3,047</u>	
Contribution Subsequent to Measurement Date	2023	1.00	<u>75,000</u>	
			<u>\$ 155,132</u>	<u>\$ 252,065</u>

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2024	\$ (58,024)
2025	(49,829)
2026	(10,452)
2027	(50,067)
2028	<u>(3,561)</u>
	<u><u>\$ (171,933)</u></u>

Actuarial Assumptions

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

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

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount Rate

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2023 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	1%	Current	1%
	Decrease	Discount Rate	Increase
District's proportionate share of the Net Pension Liability	\$ (6.00%)	\$ (7.00%)	\$ (8.00%)
District's proportionate share of the Net Pension Liability	\$ 861,240	\$ 661,608	\$ 491,648

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

Benefits Provided

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2024, the State of New Jersey contributed \$1,392,426 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$438,210.

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

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

At June 30, 2024, the State's proportionate share of the net pension liability associated with the District was \$17,837,285. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.035%, which was an increase of 0.001% from its proportion measured as of June 30, 2022.

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>17,837,285</u>
<b>Total</b>	<b><u>\$ 17,837,285</u></b>

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$1,456,348 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions				
	2016	8.30	\$ 391,340,712	
	2017	8.30		\$ 2,080,865,206
	2018	8.29		1,883,063,885
	2019	8.04		1,514,535,609
	2020	7.99	805,517,879	
	2021	7.93		9,179,534,541
	2022	7.83	<u>82,066,487</u>	
			<u>1,278,925,078</u>	<u>14,657,999,241</u>
Difference Between Expected and Actual Experience				
	2016	8.30		4,866,656
	2017	8.30	37,022,988	
	2018	8.29	330,339,649	
	2019	8.04		58,842,090
	2020	7.99		4,293,040
	2021	7.93	121,815,868	
	2022	7.83		15,372,285
	2023	7.93	<u>169,161,907</u>	
			<u>658,340,412</u>	<u>83,374,071</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments				
	2020	5.00	241,395,539	
	2021	5.00	(1,777,316,905)	
	2022	5.00	2,489,500,994	
	2023	6.00	<u>(477,296,442)</u>	
			<u>476,283,186</u>	
			<u>\$ 2,413,548,676</u>	<u>\$ 14,741,373,312</u>

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2024	\$ (3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	56,606,524
	\$ (12,327,824,636)

Actuarial Assumptions

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

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

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount Rate – TPAF

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2023 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 21,033,396	\$ 17,837,285	\$ 15,145,400

Pension Plan Fiduciary Net Position

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$10,094 for the fiscal year ended June 30, 2024. Employee contributions to DCRP amounted to \$18,506 for the year ended June 30, 2024.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided to the employees through the State of New Jersey Health Benefits Plan.

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

NOTE 11. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits

The District is a member of the School Alliance Insurance Fund (the "Fund"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this annual comprehensive financial report.

The Fund is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of this Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

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

Total Assets	\$ 55,099,784
Net Position	\$ 19,896,776
Total Revenue	\$ 53,694,497
Total Expenses	\$ 54,788,356
Change in Net Position	\$ (1,093,859)
Members Dividends	\$ -0-

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

Public Entity Group Administrative Services  
6000 Midlantic Drive, Suite 300  
Mt. Laurel, NJ 08054  
(609) 386-6060

New Jersey Unemployment Compensation Insurance

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

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

NOTE 11. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance (Cont'd)

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

<u>Fiscal Year</u>	<u>Employee</u>		<u>Amount Reimbursed</u>	<u>Ending Balance</u>
	<u>Employer Contributions</u>	<u>Contributions and Interest</u>		
2023-2024		\$ 12,736	\$ 146	\$ 230,954
2022-2023		8,993	643	218,364
2021-2022	\$ 25,000	8,527	123	210,014

NOTE 12. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

There were no interfund balances at June 30, 2024.

NOTE 14. DEFERRED COMPENSATION

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

AXA Equitable Life Insurance Company  
Lincoln National Life Insurance Company  
Lincoln Investment Planning, LLC

Security Benefit Group  
Siracusa Benefits Program

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

NOTE 15. TAX CALENDAR

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

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined, agreed-upon schedule.

NOTE 16. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

Encumbrances

At June 30, 2024, the District had the following encumbrances payable:

General Fund	Special Revenue Fund	Total Governmental Funds
<u>\$ 202,187</u>	<u>\$ 13,303</u>	<u>\$ 215,490</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2024, \$202,187 is assigned for year-end encumbrances in the Special Revenue Fund, which is \$13,303 more than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue.

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

NOTE 16. CONTINGENT LIABILITIES (Cont'd)

Accounts Payable

At June 30, 2024, the District had the following accounts payable:

	Governmental		District		Business-Type Activities
	Funds		Contribution	Subsequent to the Measurement Date	
	General Fund	Special Revenue Fund		Proprietary Funds	
Vendors	\$ 154,486	\$ 2,145			\$ 5,736
Due to State of New Jersey		335	\$ 75,000		75,335
Payroll Deductions and Withholdings	32,593			32,593	
	<u>\$ 187,079</u>	<u>\$ 2,480</u>	<u>\$ 75,000</u>	<u>\$ 264,559</u>	<u>\$ 5,736</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

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

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

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

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

Plan Description and Benefits Provided (Cont'd)

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

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

Employees Covered by Benefit Terms

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

Retirees Plan Members and Spouses of Beneficiaries Currently Receiving Benefit Payments	152,383
Active Plan Members	<u>217,212</u>
Total	<u>369,595</u>

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

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

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

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

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

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

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

	<u>Total OPEB Liability</u>
Balance at June 30, 2022	\$ 17,468,016
Changes for Year:	
Service Cost	624,355
Interest on the Total OPEB Liability	629,725
Difference Between Expected and Actual Experiences	(403,020)
Changes of Assumptions	36,039
Gross Benefit Payments by the State	(490,881)
Contributions from Members	<u>16,138</u>
	<u>412,356</u>
Net Changes	<u>412,356</u>
Balance at June 30, 2023	<u>\$ 17,880,372</u>

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2023, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	At 1%	At	At 1%
	Decrease	Discount Rate	Increase
	2.65%	3.65%	4.65%
Total OPEB Liability Attributable to the District	\$ 20,961,667	\$ 17,880,372	\$ 15,406,450

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

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

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2023, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	1%	Healthcare	1%
	Decrease	Cost Trend Rate	Increase
Total OPEB Liability Attributable to the District	\$ 14,843,465	\$ 17,880,372	\$ 21,854,172

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

For the fiscal year ended June 30, 2024 the District recognized OPEB expense of \$95,969 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2023 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

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

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

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

	Year of Deferral	Original Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions				
	2017	9.54		\$ 644,297
	2018	9.51		666,905
	2019	9.29	\$ 98,113	
	2020	9.24	2,398,682	
	2021	9.24	13,653	
	2022	9.13		3,623,142
	2023	9.30	<u>32,164</u>	<u>2,542,612</u>
			<u>2,542,612</u>	<u>4,934,344</u>
Differences Between Expected and Actual Experience				
	2018	9.51		630,433
	2019	9.29		1,154,787
	2020	9.24	2,235,666	
	2021	9.24		2,625,497
	2022	9.13	373,131	
	2023	9.30		298,794
			<u>2,608,797</u>	<u>4,709,511</u>
Changes in Proportion	N/A	N/A	<u>132,231</u>	<u>1,499,773</u>
			<u>\$ 5,283,640</u>	<u>\$ 11,143,628</u>

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

Fiscal Year Ending June 30,	Total
2024	\$ (891,677)
2025	(891,677)
2026	(774,993)
2027	(456,906)
2028	(93,523)
Thereafter	<u>(1,383,670)</u>
	<u>\$ (4,492,446)</u>

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

NOTE 18. PRIOR PERIOD ADJUSTMENT

During fiscal year June 30, 2024, changes to or within the financial reporting entity and an error correction resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	Balance 6/30/23	as Previously Reported	Error Correction	Balance 6/30/23 as Restated
<u>Statement of Net Assets:</u>				
<u>Governmental Activities:</u>				
Governmental Activities:				
Capital Assets:				
Depreciable Buildings and Building Improvements, Site Improvements, Furniture, Machinery &				
Equipment	\$ 6,743,367	\$ 691,444	\$ 7,434,811	
Total Assets	13,056,505	691,444	13,747,949	
Net Investment in Capital Assets	5,263,296	691,444	5,954,740	
Total Net Position	9,731,582	691,444	10,423,026	
<u>Business-type Activities:</u>				
Capital Assets:				
Depreciable Buildings and Building Improvements, Site Improvements, Furniture, Machinery &				
Equipment	13,234	(13,060)	174	
Total Assets	124,870	(13,060)	111,810	
Net Investment in Capital Assets	13,234	(13,060)	174	
Total Net Position	94,790	(13,060)	81,730	

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

**HIGH BRIDGE SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES**  
**SCHEDULE II OF DISTRICTS PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS**

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

	Fiscal Year Ending June 30.									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 74,419	\$ 79,301	\$ 57,488	\$ 68,818	\$ 74,821	\$ 48,462	\$ 62,504	\$ 67,382	\$ 75,088	\$ 61,049
Contributions in relation to the contractually required contribution	<u>(68,220)</u>	<u>(79,301)</u>	<u>(57,488)</u>	<u>(68,818)</u>	<u>(74,821)</u>	<u>(48,462)</u>	<u>(62,504)</u>	<u>(67,382)</u>	<u>(75,088)</u>	<u>(61,049)</u>
Contribution deficiency/(excess)	\$ 6,199	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 624,463	\$ 520,502	\$ 491,789	\$ 379,573	\$ 375,248	\$ 424,861	\$ 438,832	\$ 432,018	\$ 380,375	\$ 390,668
Contributions as a percentage of covered employee payroll	11.92%	15.24%	11.69%	18.13%	19.94%	11.41%	14.24%	15.60%	19.74%	15.63%

HIGH BRIDGE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATES PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS PENSION AND ANNUITY FUND  
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability attributable to the District	0.0354432720%	0.034634170%	0.0358560443%	0.0353942738%	0.0334722717%	0.0354961310%	0.0350863740%	0.0347222093% #	0.033889019%	0.0349526788%
State's proportionate share of the net pension liability attributable to the District	\$ 18,943,275	\$ 21,890,275	\$ 28,206,647	\$ 23,864,096	\$ 21,294,340	\$ 21,784,311	\$ 23,103,955	\$ 16,692,768	\$ 17,484,833	\$ 17,837,285
District's covered employee payroll	\$ 3,484,640	\$ 3,555,755	\$ 3,591,847	\$ 3,639,669	\$ 3,764,351	\$ 3,705,157	\$ 3,737,292	\$ 4,015,346	\$ 3,982,275	\$ 3,765,224
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	54.362%	61.563%	785.30%	655.67%	565.68%	587.95%	618.20%	415.91%	439.07%	473.74%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	33.64%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fiscal Year Ending June 30,										
Contractually required contribution	\$ 1,019,326	\$ 1,336,598	\$ 2,119,337	\$ 1,653,184	\$ 1,241,386	\$ 1,284,897	\$ 1,436,702	\$ 392,788	\$ 470,566	\$ 438,210
Contributions in relation to the contractually required contribution	(187,245)	(287,078)	(384,196)	(492,929)	(712,736)	(769,579)	(1,028,536)	(1,428,887)	(1,392,426)	(1,392,426)
Contribution deficiency/(excess)	\$ 832,081	\$ 1,049,520	\$ 1,735,141	\$ 1,160,255	\$ 528,650	\$ 515,318	\$ 408,166	\$ (635,748)	\$ (958,321)	\$ (954,216)
Districts covered employee payroll	\$ 3,555,755	\$ 3,591,847	\$ 3,639,669	\$ 3,764,351	\$ 3,705,157	\$ 3,737,292	\$ 4,013,546	\$ 3,982,275	\$ 3,765,224	\$ 3,728,545
Contributions as a percentage of covered employee payroll	5.27%	7.99%	10.56%	13.09%	19.24%	20.59%	25.63%	25.83%	37.95%	37.35%

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

	2017	2018	2019	2020	Fiscal Year Ended June 30,	2021	2022	2023
Total OPEB Liability								
Service Cost	\$ 764,073	\$ 634,908	\$ 580,675	\$ 530,522	\$ 928,027	\$ 816,726	\$ 624,355	
Interest Cost	643,971	745,415	685,550	524,376	551,746	462,922	629,725	
Changes of Benefit Terms								
Difference Between Expected and Actual Experience	(2,601,464)	(2,000,211)	(3,746,634)	4,221,188	(3,676,248)	48,916	(403,020)	
Changes in Assumptions	17,406	(1,990,993)	218,456	4,363,495	20,984	(4,685,952)	36,039	
Member Contributions	16,034	16,034	(449,759)	12,605	14,105	14,710	16,138	
Gross Benefit Payments	(472,709)	(463,931)	13,332	(415,868)	(434,622)	(458,538)	(490,881)	
Net Change in Total OPEB Liability	(1,648,723)	(3,058,778)	(2,698,380)	9,236,318	(2,618,647)	(3,801,216)	412,356	
Total OPEB Liability - Beginning	22,057,442	20,408,719	17,349,941	14,651,561	23,387,879	21,269,232	17,468,016	
Total OPEB Liability - Ending	<u>\$ 20,408,719</u>	<u>\$ 17,349,941</u>	<u>\$ 14,651,561</u>	<u>\$ 23,387,879</u>	<u>\$ 21,269,232</u>	<u>\$ 17,468,016</u>	<u>\$ 17,880,372</u>	
District's Covered Employee Payroll *	\$ 4,180,218	\$ 4,112,349	\$ 4,131,458	\$ 4,143,924	\$ 4,080,405	\$ 4,162,153	\$ 4,452,378	
Total OPEB Liability as a Percentage of Covered Employee Payroll	20.48%	23.70%	28.20%	17.35%	19.18%	23.83%	24.90%	

\* - Covered payroll for the fiscal years ending June 30, 2023, 2022, 2021, 2020, 2019, 2018, and 2017 are based on the payroll on the June 30, 2022, 2021, 2020, 2019, 2018, 2017, and 2016 census data.

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

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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 6,969,643		\$ 6,969,643	\$ 6,969,643	
Tuition From Other LEAs Within the State	11,200		11,200	20,783	\$ 20,783
Rents and Royalties				8,100	(3,100)
Unrestricted Miscellaneous Revenues				11,494	11,494
Interest Earned				63,120	63,120
Interest Earned on Maintenance Reserve	400		400	10,275	9,875
Interest Earned on Capital Reserve Funds	800		800	40,314	39,514
Other Restricted Miscellaneous Revenues				12,590	12,590
Total Revenues from Local Sources	<u>6,982,043</u>		<u>6,982,043</u>	<u>7,136,319</u>	<u>154,276</u>
Revenues from State Sources:					
Categorical Transportation Aid	14,338		14,338	14,338	
Extraordinary Aid	75,000		75,000	428,783	353,783
Categorical Special Education Aid	275,401		275,401	275,401	
Equalization Aid	426,548		426,548	426,548	
Categorical Security Aid	34,384		34,384	34,384	
Additional Nonpublic School Transportation Aid				6,825	6,825
TPAF Post Retirement Contributions (Non-Budgeted)				383,289	383,289
TPAF Pension Contributions (Non-Budgeted)				1,392,426	1,392,426
TPAF Non-Contributory Insurance (Non-Budgeted)				15,880	15,880
TPAF Long-Term Disability Insurance (Non-Budgeted)				487	487
Reimbursed TPAF Social Security Contributions				263,308	263,308
Total Revenues from State Sources	<u>825,671</u>		<u>825,671</u>	<u>3,241,669</u>	<u>2,415,998</u>
TOTAL REVENUE	<u>7,807,714</u>		<u>7,807,714</u>	<u>10,377,988</u>	<u>2,570,274</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 180,310	\$ 10,000	\$ 180,310	\$ 179,236	\$ 10,000
Kindergarten - Salaries of Teachers	1,156,987	27,886	1,184,873	945,660	1,074
Grades 1-5 - Salaries of Teachers	519,593	37,874	557,467	557,467	239,213
Grades 6-8 - Salaries of Teachers					
Regular Programs - Home Instruction:					
Salaries of Teachers	12,500	12,500	213	12,287	
Purchased Professional-Educational Services	1,000	1,000		1,000	
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	185,000	15,947	200,947	158,804	42,143
Purchased Technical Services	146,944	(19,100)	127,844	121,902	5,942
General Supplies	104,910	14,051	118,961	89,363	29,598
Textbooks	47,606	28,154	75,760	45,353	30,407
Total Regular Programs - Instruction	<u>2,354,850</u>	<u>114,812</u>	<u>2,469,662</u>	<u>2,097,998</u>	<u>371,664</u>
Special Education - Instruction:					
Multiple Disabilities:					
General Supplies	17		17	17	
Total Multiple Disabilities	17		17	17	
Resource Room/Resource Center:					
Salaries of Teachers	627,507	29,284	656,791	656,791	
General Supplies	1,837		1,837	1,189	648
Total Resource Room/Resource Center	<u>629,344</u>	<u>29,284</u>	<u>658,628</u>	<u>657,980</u>	<u>648</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of Teachers	\$ 381,983	\$ 85,616	\$ 467,599	\$ 340,593	\$ 127,006
Other Salaries for Instruction	3,000		3,000	561	2,439
General Supplies	2,082	3,724	5,806	3,690	2,116
Total Autism	<u>387,065</u>	<u>89,340</u>	<u>476,405</u>	<u>344,844</u>	<u>131,561</u>
Home Instruction:					
Purchased Professional-Educational Services	1,000		1,000		1,000
Total Home Instruction	<u>1,000</u>		<u>1,000</u>		<u>1,000</u>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>1,017,426</b>	<b>118,624</b>	<b>1,136,050</b>	<b>1,002,841</b>	<b>133,209</b>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	101,160		101,160	99,205	1,955
General Supplies	300		300	148	152
Total Basic Skills/Remedial - Instruction	<u>101,460</u>		<u>101,460</u>	<u>99,353</u>	<u>2,107</u>
Bilingual Education - Instruction:					
General Supplies	250		250		250
Total Bilingual Education - Instruction	<u>250</u>		<u>250</u>		<u>250</u>
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	25,000		25,000	23,596	1,404
Purchased Services (300-500 series)	7,500	1,640	9,140	7,498	1,642
Supplies and Materials	4,000	(1,640)	2,360	430	1,930
Other Objects	250		250		250
Transfers to Cover Deficit (Agency Funds)	500		500		500
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	<u>37,250</u>		<u>37,250</u>	<u>31,524</u>	<u>5,726</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Athletics - Instruction:					
Salaries	\$ 14,000	\$ 1,344	\$ 15,344	\$ 12,608	\$ 2,736
Purchased Services (300-500 series)	4,000	(250)	3,750	3,038	712
Other Objects		250			250
Total School-Sponsored Athletics - Instruction	<u>18,000</u>	<u>1,344</u>	<u>19,344</u>	<u>15,646</u>	<u>3,698</u>
<b>TOTAL INSTRUCTION</b>	<b><u>3,529,236</u></b>	<b><u>234,780</u></b>	<b><u>3,764,016</u></b>	<b><u>3,247,362</u></b>	<b><u>516,654</u></b>
Undistributed Expenditures - Instruction:					
Tuition to Priv. Sch. for the Handicap. W/I State					
Total Undistributed Expenditures - Instruction	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>
Undistributed Expend. - Attend. & Social Work:					
Salaries	<u>45,301</u>	<u>45,301</u>	<u>45,301</u>	<u>44,402</u>	<u>899</u>
Total Undist. Expend. - Attendance and Social Work	<u>45,301</u>	<u>45,301</u>	<u>45,301</u>	<u>44,402</u>	<u>899</u>
Undistributed Expenditures - Health Services:					
Salaries	109,123		109,123	103,464	5,659
Purchased Professional and Technical Services	1,750		1,750	1,750	
Supplies and Materials	8,500		8,500	5,541	2,959
Total Undist. Expenditures - Health Services	<u>119,373</u>	<u>250</u>	<u>119,373</u>	<u>110,755</u>	<u>8,618</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	164,525		164,525	133,457	31,068
Purchased Professional - Educational Services	8,500		8,500	3,895	4,605
Supplies and Materials	8,000	(250)	7,750	5,181	2,569
Other Objects		250			250
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>181,025</u>	<u>250</u>	<u>181,025</u>	<u>142,533</u>	<u>38,492</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	\$ 3,000		\$ 3,000		\$ 3,000
Purchased Professional - Educational Services	480,000		480,000	\$ 471,150	\$ 8,850
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	<u>483,000</u>		<u>483,000</u>	<u>471,150</u>	<u>11,850</u>
Undist.Expend.-Guidance:					
Salaries of Other Professional Staff	148,775	\$ 208	148,983	148,983	
Salaries of Secretarial and Clerical Assistants	43,690		43,690	40,497	3,193
Supplies and Materials	18	(18)			
Other Objects	2,000	(190)	1,810	350	1,460
Total Undist Expend. - Guidance	<u>194,483</u>		<u>194,483</u>	<u>189,830</u>	<u>4,653</u>
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	159,063		159,063	130,341	28,722
Salaries of Secretarial and Clerical Assistants	27,660		27,660	22,660	5,000
Purchased Professional - Educational Services	42,275		42,275	29,551	12,724
Other Purchased Prof. and Tech. Services	9,000		9,000	9,000	9,000
Supplies and Materials	25,008		25,008	23,387	22,621
Other Objects	1,500		1,500	1,500	1,500
Total Undist Expend. - Child Study Team	<u>264,506</u>		<u>264,506</u>	<u>184,939</u>	<u>79,567</u>
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	73,104		73,104	73,104	
Salaries of Secretarial and Clerical Assistants	10,881		10,881	10,881	
Other Salaries	1,500		1,500		1,500
Total Undist. Expend.-Improv. of Inst. Serv.	<u>85,485</u>		<u>85,485</u>	<u>83,985</u>	<u>1,500</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	\$ 42,331		\$ 42,331	\$ 42,331	\$ 250
Purchased Professional and Technical Services	5,000		5,000	4,750	250
Supplies and Materials	5,250		5,250	982	4,268
<b>Total Undist Expend-Edu. Media Serv./Sch. Library</b>	<b>52,581</b>		<b>52,581</b>	<b>48,063</b>	<b>4,518</b>
Undist.Expend.-Instructional Staff Training Services:					
Other Salaries	500		500	64	436
Purchased Professional - Educational Service	1,200		1,200		1,200
Other Purchased Services (400-500 series)	11,500		11,500		9,357
<b>Total Undist.Expend. -Instructional Staff Training Services</b>	<b>13,200</b>		<b>13,200</b>	<b>2,207</b>	<b>10,993</b>
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	114,023		114,023		114,023
Legal Services	54,000	\$ 3,566	57,566		35,510
Audit Fees	30,000	5,000	35,000		35,000
Other Purchased Professional Services	5,200	(235)	4,965		4,965
Communications / Telephone	25,000	(3,903)	21,097		6,491
BOE Other Purchased Services	4,000	(767)	3,233		3,068
Other Purch. Serv. (400-500 series other than 530 & 585)	17,000	(5,536)	11,464		11,367
General Supplies	1,000	(200)	800		800
Miscellaneous Expenditures	6,700	2,075	8,775		8,196
BOE Membership Dues and Fees	4,500		4,500		4,441
<b>Total Undist. Expend.-Support Serv.-Gen. Admin.</b>	<b>261,423</b>		<b>261,423</b>	<b>223,861</b>	<b>37,562</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 118,945	\$ 78	\$ 119,023	\$ 119,015	\$ 8
Salaries of Secretarial and Clerical Assistants	34,690	410	35,100	35,100	
Supplies and Materials	3,000	(410)	2,590	1,841	749
Other Objects	4,000	(78)	3,922	2,420	1,502
Total Undist. Expend.-Support Serv.-School Admin.	<u>160,635</u>		<u>160,635</u>	<u>158,376</u>	<u>2,259</u>
Undist. Expend. - Central Services:					
Salaries	48,960	3,750	52,710	52,660	50
Purchased Professional Services	20,000		20,000		20,000
Purchased Technical Services	35,000		35,000	4,281	30,719
Miscellaneous Purchased Services (400-500 series other than 594)	1,400		1,400		1,400
Supplies and Materials	3,163	(1,875)	1,288	449	839
Other Objects	4,500	(1,875)	2,625	2,124	501
Total Undist. Expend. - Central Services	<u>113,023</u>		<u>113,023</u>	<u>59,514</u>	<u>53,509</u>
Undist. Expend. - Admin. Info. Technology:					
Other Purchased Services (400-500 series)	20,000		20,000	14,952	5,048
Total Undist. Expend. - Admin. Info. Technology	<u>20,000</u>		<u>20,000</u>	<u>14,952</u>	<u>5,048</u>
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	12,000	2,000	14,000	14,000	
Cleaning, Repair, and Maintenance Services	634,595	310,908	945,503	748,173	197,330
General Supplies	10,000	(4,490)	5,510	2,096	3,414
Total Undist. Expend.- Required Maint. for School Facilities	<u>656,595</u>	<u>308,418</u>	<u>965,013</u>	<u>764,269</u>	<u>200,744</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 222,783		\$ 222,783	\$ 212,422	\$ 10,361
Salaries of Non-Instructional Aides	16,795	\$ (13,084)	3,711		3,711
Purchased Professional and Technical Services	10,000	(9,180)	820	706	114
Cleaning, Repair, and Maintenance Services	13,650	107,532	121,182	111,995	9,187
Rental of Land & Bldg. Oth. than Lease Pur. Agmnt.	188	(188)			
Other Purchased Property Services	16,300	5,692	21,992	17,609	4,383
Insurance	102,804	15,350	118,154	118,154	
General Supplies	30,000	(8,952)	21,048	20,410	638
Energy (Natural Gas)	66,600	5,000	71,600	55,550	16,050
Energy (Electricity)	88,000	9,500	97,500	75,774	21,726
Other Objects	1,700	27,729	29,429	19,946	9,483
Total Undist. Expend.-Custodial Services	<u>568,820</u>	<u>139,399</u>	<u>708,219</u>	<u>632,566</u>	<u>75,653</u>
Care and Upkeep of Grounds:					
Purchased Professional and Technical Services	<u>23,000</u>		<u>23,000</u>	<u>450</u>	<u>22,550</u>
Total Care And Upkeep Of Grounds	<u>23,000</u>		<u>23,000</u>	<u>450</u>	<u>22,550</u>
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	<u>1,248,415</u>	<u>447,817</u>	<u>1,696,232</u>	<u>1,397,285</u>	<u>298,947</u>
Undist. Expend.-Student Transportation Serv.:					
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	15,000		15,000	11,650	3,350
Contr Serv.-Aid in Lieu of Payments-Choice Stud.	3,066		3,066	2,234	832
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	12,000	6,600	18,600	8,391	10,209
Contract. Serv.(Bet. Home & Sch.)-Joint Agmnts.		2,000	2,000		
Contract. Serv.(Reg. Students)-ESCs & CTSAs	13,000	(3,600)	9,400	466	8,934
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAs	70,000	(9,000)	61,000		61,000
Misc. Purchased Serv. - Transportation		4,000	4,000		4,000
Total Undist. Expend.-Student Trans. Serv.	<u>113,066</u>		<u>113,066</u>	<u>24,741</u>	<u>88,325</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS					
Social Security Contributions	\$ 76,500	\$ 9,580	\$ 86,080	\$ 82,966	\$ 3,114
Other Retirement Contributions - PERS	80,000		80,000	61,049	18,951
Other Retirement Contributions - Regular	10,250		10,250	10,094	156
Workers Compensation	77,625		77,625	62,220	15,405
Health Benefits	1,344,009	15,755	1,359,764	1,309,601	50,163
Tuition Reimbursement	40,000	5,000	45,000	35,389	9,611
Other Employee Benefits	4,750		4,750	4,118	632
Unused Sick Payment to Terminated/Retired Staff	52,000		52,000	12,605	39,395
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>1,685,134</b>	<b>30,335</b>	<b>1,715,469</b>	<b>1,578,042</b>	<b>137,427</b>
ON BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				383,289	(383,289)
TPAF Pension Contributions (Non-Budgeted)				1,392,426	(1,392,426)
TPAF Non-Contributory Insurance (Non-Budgeted)				15,880	(15,880)
TPAF Long-Term Disability Insurance (Non-Budgeted)				487	(487)
Reimbursed TPAF Social Security Contributions				263,308	(263,308)
<b>TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>	<b>\$ 1,685,134</b>	<b>\$ 30,335</b>	<b>\$ 1,715,469</b>	<b>\$ 2,055,390</b>	<b>(2,055,390)</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>5,135,650</b>	<b>478,152</b>	<b>5,613,802</b>	<b>6,790,025</b>	<b>(1,176,223)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>8,664,886</b>	<b>712,932</b>	<b>9,377,818</b>	<b>10,037,387</b>	<b>(659,569)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>					

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY</b>					
Equipment	\$ 15,000	\$ 430	\$ 15,000	\$ 10,810	\$ 4,190
Grades 1-5	15,000		15,430		
Grades 6-8				15,430	
Undistributed:					
Undistributed Expenditures - Non-Inst. Serv.			61,267		
Total Equipment	<u>61,267</u>	<u>430</u>	<u>91,697</u>	<u>53,430</u>	<u>7,837</u>
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services	3,914		3,914		3,914
Construction Services	258,739		258,739		238,265
Assessment for Debt Service on SDA Funding	8		8		8
Total Facilities Acquisition and Const. Serv.	<u>258,747</u>	<u>3,914</u>	<u>262,661</u>	<u>242,187</u>	<u>20,474</u>
TOTAL CAPITAL OUTLAY	<u>350,014</u>	<u>4,344</u>	<u>354,358</u>	<u>321,857</u>	<u>32,501</u>
<b>TOTAL EXPENDITURES</b>					
Excess/(Deficit) of Revenues Over/(Under) Expenditures					
Other Financing Sources/(Uses):					
Transfer out - Preschool Education Aid					
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses					
(1,355,806)	(679,176)	(2,034,982)	(40,704)	1,994,278	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Fund Balance, July 1	\$ 5,783,193		\$ 5,783,193	\$ 5,783,193	
Fund Balance, June 30	\$ 4,427,387	\$ (679,176)	\$ 3,748,211	\$ 5,742,489	\$ 1,994,278

Recapitulation:

Restricted Fund Balance:	
Excess Surplus - Restricted For 2025-2026	\$ 610,610
Excess Surplus - Restricted For 2024-2025	\$ 651,018
Capital Reserve	2,859,781
Maintenance Reserve	577,331
Unemployment Compensation	230,954
Assigned Fund Balance:	
Year End Encumbrances	202,187
Unassigned Fund Balance	\$ 610,608
Reconciliation to Governmental Funds Statement (GAAP):	
Last State Aid Payments not Recognized on GAAP basis	<u>(75,066)</u>
Fund Balance per Governmental Funds (GAAP)	\$ 5,667,423

HIGH BRIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 1,254,247	\$ 49,490	\$ 1,435,926	\$ 45,654	\$ (3,836)
State Sources	150,267	181,679	499,528	834,048	(601,878)
Federal Sources				437,500	(62,028)
Total Revenues	<u>1,404,514</u>	<u>349,261</u>	<u>1,984,944</u>	<u>1,317,202</u>	<u>(667,742)</u>
<b>Other Financing Sources:</b>					
Transfer In - Board Contribution - General Fund	148,620	(89,172)	59,448	59,448	
Total Revenues and Other Financing Sources	<u>1,553,134</u>	<u>491,258</u>	<u>2,044,392</u>	<u>1,376,650</u>	<u>(667,742)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	491,313	26,611	517,924.00	364,305	153,619
Other Salaries for Instruction	245,500	(85,000)	160,500	160,500	472
Purchased Professional and Technical Services		34,412	34,412	33,940	5,894
Purchased Professional and Educational Services	85,000	92,000	177,000	171,106	3,410
General Supplies	40,784	8,144	48,928	45,518	
Total Instruction	<u>862,597</u>	<u>76,167</u>	<u>938,764</u>	<u>614,869</u>	<u>323,895</u>
Support Services:					
Salaries of Other Professional Staff	211,534	(3,512)	208,022	182,779	25,243
Personal Services - Employee Benefits	208,085		208,085	134,240	73,845
Purchased Professional and Technical Services		181,852	181,852	165,248	16,604
Purchased Professional and Educational Services		4,125	4,125	4,125	
Purchased Property Services	84,234		84,234	84,234	
Cleaning, Repair and Maintenance Services	73,104	16,409	89,513	24,791	64,722
Other Purchased Services	1,500	27,600	29,100	27,527	1,573
Travel	3,080		3,080	249	2,831
Supplies and Materials	35,000	20,717	55,717	42,134	13,583
Other Objects	4,000	(3,800)	200	137	63
Student Activities		44,546	44,546	44,546	
Total Support Services	<u>620,537</u>	<u>287,937</u>	<u>908,474</u>	<u>625,776</u>	<u>282,698</u>
Facilities Acquisition and Construction Services:					
Buildings		112,154	112,154	112,154	
Instructional Equipment	35,000	15,000	50,000	6,698	43,302
Non-Instructional Equipment	35,000		35,000	19,404	15,596
Total Facilities Acquisition and Construction Services	<u>70,000</u>	<u>127,154</u>	<u>197,154</u>	<u>138,256</u>	<u>58,898</u>
Total Expenditures	<u>\$ 1,553,134</u>	<u>\$ 491,258</u>	<u>\$ 2,044,392</u>	<u>\$ 1,378,901</u>	<u>\$ 665,491</u>
Deficit of Revenue Under Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (2,251)</u>	<u>\$ (2,251)</u>

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

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

	General Fund	Special Revenue Fund
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 10,377,988	\$ 1,317,202
<b>Difference - Budget to GAAP:</b>		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognized Encumbrances as Expenditures and Revenue while the GAAP Basis does not:		
Current Year Encumbrances	(13,303)	
Cancellation of Prior Year Encumbrances	(5)	
Prior Year Encumbrances	13,891	
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	109,841	84,234
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(75,066)	(86,199)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 10,412,763</u>	<u>\$ 1,315,820</u>

**Uses/Outflows of Resources:**

Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 10,359,244	\$ 1,378,901
<b>Differences - Budget to GAAP:</b>		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances	(13,303)	
Cancellation of Prior Year Encumbrances	(5)	
Prior Year Encumbrances	13,891	
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 10,359,244</u>	<u>\$ 1,379,484</u>

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

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	Title I	Title II A	Elementary and Secondary Education Act		Title IV
			Title III	Title III - FY2023	
<b>REVENUES:</b>					
Local Sources					
State Sources	\$ 21,359	\$ 8,250	\$ 879	\$ 1,020	\$ 14,358
Federal Sources	21,359	8,250	879	1,020	14,358
Total Revenues					
Other Financing Sources:					
Transfer in - Board Contribution - General Fund					
Total Revenues and Other Financing Sources	21,359	8,250	879	1,020	14,358
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	20,800				
Purchased Professional and Technical Services					
Purchased Professional and Educational Services	175		879	1,020	
General Supplies	20,975		879	1,020	
Total Instruction					
Support Services:					
Salaries of Other Professional Staff					7,680
Personal Services - Employee Benefits					
Purchased Professional and Technical Services					8,250
Purchased Property Services					
Cleaning, Repair and Maintenance Services					
Other Purchased Services					
Travel					
Supplies and Materials					
Other Objects					
Student Activities					
Total Support Services	384	8,250			
Facilities Acquisition and Construction Services:					
Buildings					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition and Construction Services					
Total Expenditures	\$ 21,359	\$ 8,250	\$ 879	\$ 1,020	\$ 14,358

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

REVENUES:	I.D.E.A			Education Stabilization Fund		
	FY 2023		FY 2023	CRRSA		Mental Health
	Basic	Basic	Preschool	Preschool	Learning Accelerating	Health
Local Sources	\$ 130,799	\$ 27	\$ 1,134	\$ 205	\$ 22,600	\$ 27,891
State Sources	130,799	27	1,134	205	22,600	27,891
Federal Sources						
Total Revenues						
Other Financing Sources:						
Transfer in - Board Contribution - General Fund						
Total Revenues and Other Financing Sources	130,799	27	1,134	205	22,600	27,891
EXPENDITURES:						
Instruction:						
Salaries of Teachers	4,136	27				11,728
Purchased Professional and Technical Services						
Purchased Professional and Educational Services	6,859					
General Supplies						
Total Instruction	10,995	27				11,728
Support Services:						
Salaries of Other Professional Staff						
Personal Services - Employee Benefits						
Purchased Professional and Technical Services	111,387					
Purchased Property Services						
Cleaning, Repair and Maintenance Services						
Other Purchased Services	1,719					
Travel						
Supplies and Materials						
Other Objects						
Student Activities						
Total Support Services	113,106		1,134	205		10,872
Facilities Acquisition and Construction Services:						
Buildings	6,698					
Instructional Equipment						
Non-Instructional Equipment						
Total Facilities Acquisition and Construction Services	6,698					
Total Expenditures	\$ 130,799	\$ 27	\$ 1,134	\$ 205	\$ 22,600	\$ 27,891

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

Education Stabilization Fund					
	American Rescue Plan		Education Stabilization Fund		
	ARP - IDEA	ESSER III	Accelerated Learning Coaching and Educator Support	Summer Learning and Enrichment Activities	NJSS Mental Health Support Staffing
REVENUES:					
Local Sources	\$ 1,424	\$ 116,279	\$ 2,100	\$ 11,998	\$ 35,227
State Sources					
Federal Sources					
Total Revenues	\$ 1,424	\$ 116,279	\$ 2,100	\$ 11,998	\$ 35,227
Other Financing Sources:					
Transfer in - Board Contribution - General Fund					
Total Revenues and Other Financing Sources	\$ 1,424	\$ 116,279	\$ 2,100	\$ 11,998	\$ 35,227
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional and Technical Services					
Purchased Professional and Educational Services					
General Supplies					
Total Instruction				\$ 11,998	\$ 35,227
Support Services:					
Salaries of Other Professional Staff					
Personal Services - Employee Benefits					
Purchased Professional and Technical Services					
Purchased Property Services					
Cleaning, Repair and Maintenance Services					
Other Purchased Services					
Travel					
Supplies and Materials					
Other Objects					
Student Activities					
Total Support Services					
Facilities Acquisition and Construction Services:					
Buildings					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition and Construction Services					
Total Expenditures	\$ 1,424	\$ 116,279	\$ 2,100	\$ 11,998	\$ 35,227
					\$ 41,950

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

	SDA Emergent and Capital Maintenance Needs			Local Donations		Totals
	Preschool Education Aid		Student Activities			
REVENUES:						
Local Sources	\$ 817,639	\$ 16,409	\$ 42,295	\$ 3,359	\$ 45,654	
State Sources						834,048
Federal Sources						437,500
Total Revenues	<u>817,639</u>	<u>16,409</u>	<u>42,295</u>	<u>3,359</u>		<u>1,317,202</u>
Other Financing Sources:						
Transfer in - Board Contribution - General Fund	<u>59,448</u>					<u>59,448</u>
Total Revenues and Other Financing Sources	<u>877,087</u>	<u>16,409</u>	<u>42,295</u>	<u>3,359</u>		<u>1,376,650</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers	313,385			944		364,305
Purchased Professional and Technical Services		171,106				33,940
Purchased Professional and Educational Services		<u>34,170</u>				171,106
General Supplies				2,415		45,518
Total Instruction		<u>518,661</u>		<u>3,359</u>		<u>614,869</u>
Support Services:						
Salaries of Other Professional Staff	169,259					182,779
Personal Services - Employee Benefits	134,240					134,240
Purchased Professional and Technical Services						165,248
Purchased Property Services						4,125
Cleaning, Repair and Maintenance Services	8,382					24,791
Other Purchased Services	25,808					27,527
Travel	249					249
Supplies and Materials	947					42,134
Other Objects	137					137
Student Activities				44,546		44,546
Total Support Services	<u>339,022</u>	<u>16,409</u>	<u>44,546</u>			<u>625,776</u>
Facilities Acquisition and Construction Services:						
Buildings						112,154
Instructional Equipment		19,404				6,698
Non-Instructional Equipment						19,404
Total Facilities Acquisition and Construction Services	<u>19,404</u>					<u>138,256</u>
Total Expenditures	<u>\$ 877,087</u>	<u>\$ 16,409</u>	<u>\$ 44,546</u>	<u>\$ 3,359</u>		<u>\$ 1,378,901</u>

**HIGH BRIDGE SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

District-Wide Total

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of Teachers	\$ 625,483	\$ 313,385	\$ 312,098
Purchased Professional and Educational Services	177,000	171,106	5,894
General Supplies	40,000	34,170	5,830
Total Instruction	<u>842,483</u>	<u>518,661</u>	<u>323,822</u>
Support Services:			
Salaries of Other Professional Staff	179,474	169,259	10,215
Personal Services - Employee Benefits	136,919	134,240	2,679
Cleaning, Repair, and Maintenance Services	33,936	8,382	25,554
Travel	1,480	249	1,231
Other Purchased Services	68,618	25,808	42,810
Supplies and Materials	3,440	947	2,493
Other Objects	200	137	63
Total Support Services	<u>424,067</u>	<u>339,022</u>	<u>85,045</u>
Equipment:			
Instructional Equipment	34,919		34,919
Non-Instructional Equipment	29,118	19,404	9,714
Total Equipment	<u>64,037</u>	<u>19,404</u>	<u>44,633</u>
Total Expenditures	<u><u>\$ 1,330,587</u></u>	<u><u>\$ 877,087</u></u>	<u><u>\$ 453,500</u></u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2023-2024 Preschool Education Aid Allocation	\$ 861,996
Add: Actual Preschool Expansion Aid Carryover (June 30, 2022 and June 30, 2023)	557,516
Add: Budgeted Transfer from General Fund	59,448
Total Preschool Education Aid Funds Available for 2023-2024 Budget	1,478,960
Less: 2023-2024 Budgeted Preschool Education Aid	(1,330,587)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	148,373
Add: June 30, 2024 Unexpended Preschool Education Aid	453,500
Cancellation of Prior Year Encumbrances	5
2023-2024 Carryover - Preschool Education Aid	<u><u>\$ 601,878</u></u>
2023-2024 Preschool Education Aid Carryover	
Budgeted for Preschool Programs in 2024-2025	<u><u>\$ -0-</u></u>

CAPITAL PROJECTS FUND  
(NOT APPLICABLE)

PROPRIETARY FUNDS

HIGH BRIDGE SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF NET POSITION  
JUNE 30, 2024

	Food Service Fund
<b><u>ASSETS:</u></b>	
Current Assets:	
Cash and Cash Equivalents	\$ 66,715
Intergovernmental Accounts Receivable:	
State	88
Federal	1,467
Inventories	<u>6,359</u>
Total Current Assets	<u>74,629</u>
Non-Current Assets:	
Capital Assets	192,732
Less: Accumulated Depreciation	<u>(171,816)</u>
Total Non-Current Assets	<u>20,916</u>
Total Assets	<u>95,545</u>
<b><u>LIABILITIES:</u></b>	
Current Liabilities:	
Accounts Payable	5,736
Unearned Revenue - Prepaid Sales	235
Unearned Revenue - Supply Chain Assistance	18,851
Unearned Revenue - Donated Commodities	<u>2,405</u>
Total Liabilities	<u>27,227</u>
<b><u>NET POSITION:</u></b>	
Investment in Capital Assets	20,916
Unrestricted	<u>47,402</u>
Total Net Position	<u>\$ 68,318</u>

HIGH BRIDGE SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Food Service Fund
Operating Revenue:	
Daily Sales:	
Reimbursable Programs	\$ 55,990
Non-Reimbursable Programs	21,561
Other Sales	799
	<hr/>
Total Operating Revenue	78,350
Operating Expenses:	
Cost of Sales:	
Reimbursable Programs	55,636
Non-Reimbursable Programs	22,219
Salaries	44,486
Employee Benefits and Payroll Taxes	13,820
Other Purchased Services	9,000
Miscellaneous Expenses	12,927
Depreciation Expense	174
	<hr/>
Total Operating Expenses	158,262
Operating Loss	<hr/> <hr/> (79,912)
Non-Operating Revenue:	
Local Sources:	
Interest Earnings	44
State Sources:	
State School lunch Program	2,054
Federal Sources:	
National School Lunch Program	34,830
School Breakfast Program	78
Food Distribution Program	12,796
COVID 19 - Supply Chain Assistance	16,045
COVID 19 - Pandemic EBT Cost Reimbursement	653
	<hr/>
Total Non-Operating Revenue	66,500
Change in Net Position	<hr/> (13,412)
Net Position - Beginning of Year (Restated)	<hr/> 81,730
Net Position - End of Year	<hr/> <hr/> \$ 68,318

HIGH BRIDGE SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 77,536
Payments to Food Service Contractor	(133,205)
Payments to Suppliers	(11,160)
Net Cash (Used for) Operating Activities	<u>(66,829)</u>
Cash Flows from Financing Activities:	
Interest Income	<u>44</u>
Net Cash Provided by Capital and Related Financing Activities	<u>44</u>
Cash Flows from Capital and Related Financing Activities:	
Purchase of Capital Assets	<u>(20,916)</u>
Net Cash (Used for) Capital and Related Financing Activities	<u>(20,916)</u>
Cash Flows from Noncapital Financing Activities:	
Interfund Returned - General Fund	<u>51,346</u>
Net Cash Provided by Noncapital Financing Activities	<u>51,346</u>
Net Decrease in Cash and Cash Equivalents	(36,355)
Cash and Cash Equivalents, July 1	<u>103,070</u>
Cash and Cash Equivalents, June 30	<u>\$ 66,715</u>
Reconciliation of Operating (Loss) to Net Cash	
Used for Operating Activities:	
Adjustment to Reconcile Operating (Loss) to Net Cash	
Used for Operating Activities:	
Operating (Loss)	\$ (79,912)
Depreciation	174
Food Distribution Program	12,796
Changes in Assets and Liabilities:	
(Increase) in Inventory	(177)
Increase in Accounts Payable	1,488
(Decrease) in Unearned Revenue - Prepaid Sales	(814)
(Decrease) in Unearned Revenue - Donated Commodities	<u>(384)</u>
Net Cash (Used for) Operating Activities	<u>\$ (66,829)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$12,412 and utilized U.S.D.A. Commodities valued at \$12,796.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM LIABILITIES

HIGH BRIDGE SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance June 30, 2023	Matured	Balance June 30, 2024
			Outstanding June 30, 2024	Amount				
1999 Series Refunding Bonds	05/01/1999	\$ 6,405,000	2/15/2025 2/15/2026	495,000 520,000	4.9000% 4.9000%	\$ 1,480,000	\$ 465,000	\$ 1,015,000
						\$ 1,480,000	\$ 465,000	\$ 1,015,000

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

Purpose	Interest Rate	Original Issue	Balance July 1, 2023	Matured	Balance June 30, 2024
Savin Copiers	5.25%	\$ 31,034	\$ 711	\$ 711	\$ -0-

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

	Original Budget	Final Budget	Actual	Variance Final to Actual
<b>REVENUE:</b>				
Local Sources:				
Local Tax Levy	\$ 459,647	\$ 459,647	\$ 459,647	
State Sources:				
Debt Service Aid Type II	79,353	79,353	79,353	
Total Revenue	539,000	539,000	539,000	
<b>EXPENDITURES:</b>				
Regular Debt Service:				
Interest	74,000	74,000	74,000	
Redemption of Principal	465,000	465,000	465,000	
Total Regular Debt Service	539,000	539,000	539,000	
Total Expenditures	539,000	539,000	539,000	
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	-0-	-0-	-0-	
Fund Balance, July 1	-0-	-0-	-0-	
Fund Balance, June 30	\$ -0-	\$ -0-	\$ -0-	

## **STATISTICAL SECTION** **(UNAUDITED)**

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

### **Contents**

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

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

HIGH BRIDGE SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	2015	2016	2017	2018	2019	Fiscal Year Ending June 30,	2020	2021	2022	2023*	2024
<b>Governmental Activities:</b>											
Net Investment in Capital Assets	\$ 6,896,677	\$ 6,910,733	\$ 6,956,795	\$ 7,116,316	\$ 3,695,270	\$ 4,231,567	\$ 4,510,637	\$ 4,945,497	\$ 5,954,740	\$ 6,639,796	
Restricted	1,107,509	1,002,111	1,228,281	1,207,031	1,141,136	2,019,269	2,792,395	3,499,883	3,651,626	4,298,602	
Unrestricted/(Deficit)	(1,826,430)	(1,054,963)	(1,606,760)	(1,514,321)	(1,304,199)	(1,235,087)	(647,478)	79,658	816,660	183,116	
<b>Total Governmental Activities Net Position</b>	<b>\$ 6,177,756</b>	<b>\$ 6,857,881</b>	<b>\$ 6,578,316</b>	<b>\$ 6,809,026</b>	<b>\$ 3,532,207</b>	<b>\$ 5,015,749</b>	<b>\$ 6,655,554</b>	<b>\$ 8,525,038</b>	<b>\$ 10,423,026</b>	<b>\$ 11,121,514</b>	
<b>Business-Type Activities:</b>											
Investment in Capital Assets	\$ 23,985	\$ 29,943	\$ 16,106	\$ 17,866	\$ 1,571	\$ 65,226	\$ 871	\$ 4,542	\$ 174	\$ 20,916	
Unrestricted					11,523	9,071	21,714	83,810	81,556	47,402	
<b>Total Business-Type Activities Net Position</b>	<b>\$ 23,985</b>	<b>\$ 29,943</b>	<b>\$ 16,106</b>	<b>\$ 17,866</b>	<b>\$ 13,094</b>	<b>\$ 74,297</b>	<b>\$ 22,585</b>	<b>\$ 88,352</b>	<b>\$ 81,730</b>	<b>\$ 68,318</b>	
<b>District-Wide:</b>											
Net Investment in Capital Assets	\$ 6,896,677	\$ 6,910,733	\$ 6,956,795	\$ 7,116,316	\$ 3,696,841	\$ 4,296,793	\$ 4,511,508	\$ 4,718,936	\$ 5,954,914	\$ 6,660,712	
Restricted	1,107,509	1,002,111	1,228,281	1,207,031	1,141,136	2,019,269	2,792,395	3,499,883	3,651,626	4,298,602	
Unrestricted/(Deficit)	(1,802,445)	(1,025,020)	(1,590,654)	(1,496,455)	(1,292,676)	(1,226,016)	(625,764)	163,468	898,216	230,518	
<b>Total District Net Position</b>	<b>\$ 6,201,741</b>	<b>\$ 6,887,824</b>	<b>\$ 6,594,422</b>	<b>\$ 6,826,892</b>	<b>\$ 3,545,301</b>	<b>\$ 5,090,046</b>	<b>\$ 6,678,139</b>	<b>\$ 8,382,287</b>	<b>\$ 10,504,756</b>	<b>\$ 11,189,832</b>	

\* Restated

HIGH BRIDGE SCHOOL DISTRICT  
CHANGES IN NET POSITION LAST TEN FISCAL YEARS  
(ACCURAL BASIS OF ACCOUNTING)  
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
Instruction:										
Regular	\$ 3,823,787	\$ 3,634,495	\$ 4,318,019	\$ 4,109,407	\$ 3,886,221	\$ 4,272,536	\$ 4,235,288	\$ 4,946,071	\$ 4,470,897	\$ 4,388,290
Special Education	1,121,448	1,840,147	2,323,027	1,728,279	2,385,799	2,156,574	2,082,409	2,179,649	1,917,110	1,924,137
Other Instruction	206,774	244,301	187,676	269,055	227,659	180,503	120,989	182,184	276,249	281,935
School Sponsored/Other Instruction										
Support Services:										
Tuition	110,371	14,833	42,148	57,241			41,007	18,442	13,364	
Student and Instruction Related Services	1,843,458	1,486,272	2,132,378	2,231,582	1,615,900	1,463,113	1,490,087	1,429,779	2,006,719	2,263,733
General Administrative Services	481,293	332,965	293,894	322,056	303,730	257,025	249,855	239,535	270,933	342,883
School Administrative Services	290,230	171,763	340,487	257,618	268,513	263,149	263,897	244,412	283,059	280,632
Central Services		173,029	152,852	156,935	152,736	160,405	140,130	127,924	116,792	110,789
Administrative Information Technology								21,118	26,699	20,764
Plant Operations and Maintenance	783,523	782,789	853,821	1,206,857	1,034,767	757,473	1,043,166	899,716	1,021,788	1,555,175
Pupil Transportation	107,887	97,142	77,383	76,905	93,251	62,733	14,175	18,740	34,434	24,741
Capital Outlay		36,119	46,124						404,058	93,150
Transfer of Funds to Charter Schools										
Interest on Long-Term Debt	224,232	211,703	196,835	203,268	163,592	123,125	129,917	109,833	91,750	65,281
Unallocated Depreciation										
Total Governmental Activities Expenses										
	<u>9,073,311</u>	<u>9,025,558</u>	<u>10,964,644</u>	<u>10,619,203</u>	<u>10,132,168</u>	<u>9,701,048</u>	<u>9,831,138</u>	<u>10,422,984</u>	<u>10,927,917</u>	<u>11,345,698</u>
<b>Business-Type Activities:</b>										
Food Service										
Food Service	87,505	80,014	102,118	89,536	97,744	92,817	70,083	138,968	155,152	158,262
Preschool Program										
Preschool Program	<u>21,000</u>	<u>80,014</u>	<u>102,118</u>	<u>89,536</u>	<u>97,744</u>	<u>92,817</u>	<u>70,083</u>	<u>138,968</u>	<u>155,152</u>	<u>158,262</u>
Total Business-Type Activities Expense										
	<u><u>9,181,816</u></u>	<u><u>9,105,572</u></u>	<u><u>\$ 11,066,762</u></u>	<u><u>\$ 10,708,739</u></u>	<u><u>\$ 10,229,912</u></u>	<u><u>\$ 9,793,865</u></u>	<u><u>\$ 9,901,221</u></u>	<u><u>\$ 10,561,952</u></u>	<u><u>\$ 11,083,069</u></u>	<u><u>\$ 11,503,960</u></u>
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
Instruction:										
Regular										
Support Services:										
Student and Instruction Related Services	\$ 125,491	\$ 150,729	\$ 96,990	\$ 75,684	\$ 166,837	\$ 31,418	\$ 33,996	\$ 29,500	44,208	42,295
Operating Grants and Contributions	3,362,228	3,661,977	4,607,591	4,415,034	4,009,638	4,099,414	4,214,965	4,968,289	4,650,083	4,284,277
Total Governmental Activities Program Revenues	<u>3,487,719</u>	<u>3,812,706</u>	<u>4,704,581</u>	<u>4,490,738</u>	<u>4,176,475</u>	<u>4,130,832</u>	<u>4,248,561</u>	<u>4,997,789</u>	<u>4,696,791</u>	<u>4,347,355</u>

HIGH BRIDGE SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FINANCIAL YEARS  
(ACCURAL BASIS OF ACCOUNTING)  
UNAUDITED  
(Continued)

	Fiscal Year Ending June 30,																																				
	2015		2016		2017		2018		2019		2020		2021		2022		2023		2024																		
Program Revenues:																																					
Business-Type Activities:																																					
Charges for Services:																																					
Food Service	\$ 55,917	\$ 38,862	\$ 59,454	\$ 61,061	\$ 61,809	\$ 46,823	\$ 346	\$ 6,400	\$ 97,993	\$ 78,350																											
Preschool Program	26,250	33,041	28,816	30,213	33,499	43,120	82,020	198,310	63,575	66,456																											
Operating grants and contributions	34,679	71,903	88,270	91,274	95,308	153,947	82,266	204,710	161,568	144,806																											
Capital grants and contributions																																					
Total Business-Type Activities Program Revenues	116,846																																				
Total District Program Revenues	\$ 3,604,565	\$ 3,884,609	\$ 4,792,851	\$ 4,582,012	\$ 4,271,783	\$ 4,284,779	\$ 4,331,327	\$ 5,202,499	\$ 4,858,359	\$ 4,492,161																											
Net (Expense) Revenue:																																					
Governmental Activities	\$ (5,585,592)	\$ (5,212,852)	\$ (6,260,063)	\$ (13,848)	\$ (6,128,465)	\$ (5,955,693)	\$ (5,570,216)	\$ (5,582,177)	\$ (5,425,195)	\$ (6,231,126)	\$ (6,998,343)																										
Business-Type Activities	8,341	(8,111)																																			
Total District-Wide Net Expense	\$ (5,577,251)	\$ (5,220,963)	\$ (6,273,911)	\$ (6,126,727)	\$ (6,126,727)	\$ (5,958,129)	\$ (5,509,086)	\$ (5,569,894)	\$ (5,359,433)	\$ (6,224,710)	\$ (7,011,790)																										
General Revenues and Other Changes in Net Position:																																					
Governmental Activities:																																					
Property Taxes Levied for General Purposes, Net	\$ 5,281,889	\$ 5,388,481	\$ 5,496,652	\$ 5,808,499	\$ 6,116,349	\$ 6,380,576	\$ 6,567,650	\$ 6,699,003	\$ 6,832,983	\$ 6,969,643																											
Taxes Levied for Debt Service	454,250	440,891	441,165	445,729	449,357	452,184	453,251	453,463	457,088	459,647																											
Federal and State Aid not Restricted																																					
Investment Earnings	2,047	2,351	841	9,934	12,385	9,441	1,263	3,600	78,912	79,353																											
Miscellaneous Income	14,665	135,673	91,840	79,132	180,375	7,987	122,338	87,240	65,629	113,709																											
Other Items			(50,000)																																		
Total Governmental Activities	5,752,851	5,967,396	5,980,498	6,343,294	6,758,466	6,928,254	7,222,751	7,321,593	7,437,670	7,696,831																											
Business-Type Activities:																																					
Investment Earnings		23	11	22	92	73	9	25	22	44																											
Miscellaneous Income	1,375	14,046	11	22	92	73	9	25	22	44																											
Total Business-Type Activities	1,375	14,069																																			
Total District-Wide	\$ 5,754,226	\$ 5,981,465	\$ 5,980,509	\$ 6,343,316	\$ 6,758,558	\$ 6,928,327	\$ 7,222,760	\$ 7,321,618	\$ 7,437,692	\$ 7,696,875																											
Change in Net Position:																																					
Governmental Activities	\$ 16,729	\$ 754,544	\$ (279,565)	\$ 214,829	\$ 802,773	\$ 1,358,038	\$ 1,640,574	\$ 1,896,398	\$ 2,106,544	\$ 698,488																											
Business-Type Activities	9,716	5,958	(13,837)	1,760	(2,344)	61,203	12,292	65,767	64,38	(13,412)																											
Total District	\$ 176,975	\$ 760,502	\$ (293,402)	\$ 216,589	\$ 800,429	\$ 1,419,241	\$ 1,652,866	\$ 1,962,165	\$ 1,212,982	\$ 685,076																											

Source: High Bridge School District Financial Reports

HIGHBRIDGE SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	2015	2016	2017	2018	2019	Fiscal Year Ending June 30,		2021	2022	2023	2024
						2020	2020				
<b>General Fund:</b>											
Restricted	\$ 1,446,063	\$ 1,002,111	\$ 1,228,281	\$ 1,207,031	\$ 1,141,136	\$ 2,338,556	\$ 3,208,665	\$ 3,845,353	\$ 4,314,125	\$ 4,929,694	
Assigned	649,349	50,000	149,914	333,039	105,717	105,851	506,198	569,493	672,329	686,898	202,187
Unassigned	84,384	157,348	264,895	310,598	251,227	121,996	425,364				535,542
<b>Total General Fund</b>	<b>\$ 1,530,447</b>	<b>\$ 1,808,808</b>	<b>\$ 1,543,176</b>	<b>\$ 1,667,543</b>	<b>\$ 1,726,302</b>	<b>\$ 2,566,269</b>	<b>\$ 3,739,880</b>	<b>\$ 4,921,044</b>	<b>\$ 5,673,352</b>	<b>\$ 5,667,423</b>	
<b>All Other Governmental Funds:</b>											
Unassigned/(Deficit), Reported In:											
Special Revenue Fund	\$ (660)	\$ (660)	\$ (660)	\$ (660)	\$ (660)	\$ (660)	\$ (28,686)	\$ (44,885)	\$ (90,922)	\$ (84,234)	\$ (86,199)
Restricted:											
Capital Projects Fund	1,245	1,245					9,040	11,320	16,556	22,177	19,926
Special Revenue Fund											
<b>Total All Other Governmental Funds/(Deficit)</b>	<b>\$ 585</b>	<b>\$ 585</b>	<b>\$ 585</b>	<b>\$ 585</b>	<b>\$ (660)</b>	<b>\$ (660)</b>	<b>\$ (660)</b>	<b>\$ (19,646)</b>	<b>\$ (33,565)</b>	<b>\$ (74,366)</b>	<b>\$ (62,057)</b>
<b>Governmental Funds:</b>											
Restricted	\$ 1,446,063	\$ 1,002,111	\$ 1,228,281	\$ 1,207,031	\$ 1,141,136	\$ 2,338,556	\$ 3,208,665	\$ 3,845,353	\$ 4,314,125	\$ 4,949,620	
Assigned	649,349	50,000	149,914	333,039	105,717	105,851	506,198	569,493	672,329	686,898	202,187
Unassigned/(Deficit)	84,969	157,933	264,235	309,938	250,567	102,350	391,799	495,127	602,664	602,664	449,343
<b>Total Governmental Funds</b>	<b>\$ 1,531,032</b>	<b>\$ 1,809,393</b>	<b>\$ 1,542,516</b>	<b>\$ 1,666,883</b>	<b>\$ 1,725,642</b>	<b>\$ 2,546,623</b>	<b>\$ 3,706,315</b>	<b>\$ 4,846,678</b>	<b>\$ 5,589,118</b>	<b>\$ 5,601,150</b>	

**HIGH BRIDGE SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**UNAUDITED**

	Fiscal Year Ending June 30,					
	2015	2016	2017	2018	2019	2020
<b>Revenues:</b>						
Tax Levy	\$ 5,736,139	\$ 5,829,372	\$ 5,937,817	\$ 6,254,228	\$ 6,565,706	\$ 6,832,760
Tuition Charges	125,491	150,729	96,990	75,684	166,837	31,418
Interest Earnings		2,251	841	9,934	12,385	9,441
Restricted Miscellaneous Revenue						
Miscellaneous Revenue	16,712	135,673	91,840	79,132	180,375	7,987
State Sources	2,409,014	2,465,912	2,741,897	2,887,527	2,976,255	3,173,514
Federal Sources	121,133	146,346	130,553	122,477	155,478	121,329
Total Revenue	8,408,489	8,730,583	8,999,938	9,428,982	10,057,056	10,176,449
<b>Expenditures:</b>						
Instruction:						
Regular Instruction	2,632,722	2,216,279	2,376,065	2,285,413	2,176,419	2,429,632
Special Education Instruction	886,081	938,450	1,264,243	940,389	1,170,134	1,028,246
Other Special Instruction	163,377	187,850	151,743	210,722	210,428	168,011
Other Instruction	40,860					
Support Services:						
Tuition	110,371	14,833	42,148	57,241	1,340,802	1,202,198
Student and Instruction Related Services	1,456,557	1,109,566	1,128,662	1,340,175	1,340,802	1,238,466
School Administrative Services	229,317	116,444	221,905	163,342	159,076	169,718
General Administrative Services	380,280	278,400	226,986	241,429	210,175	202,760
Central Services	154,422	127,629	132,161	126,507	126,507	138,998
Administrative Information Technology						
Plant Operations and Maintenance	619,079	677,398	722,007	906,502	698,225	723,384
Pupil Transportation	107,887	97,142	76,143	76,905	93,251	62,733
Unallocated Benefits	926,628	2,108,441	2,296,936	2,371,705	2,694,937	2,681,984
Capital Outlay	44,716	36,119	65,020	71,831	591,388	138,646
Debt Service:						
Principal	285,000	300,000	315,000	335,000	355,000	375,000
Interest and Other Charges	229,095	216,878	202,328	187,680	171,935	155,250
Total Expenditures	8,111,970	8,452,222	9,216,815	9,320,495	9,998,277	9,480,972
Excess (Deficiency) of revenues over (under) expenditures	296,519	278,261	(216,877)	108,487	58,759	695,477
Other Financing sources (uses)						
Transfers						
Total other financing sources (uses)						
Net Change in Fund Balances	\$ 296,519	\$ 278,261	\$ (266,877)	\$ 108,487	\$ 58,759	\$ 695,477
Debt Service as a Percentage of Noncapital Expenditures	6.4 %	6.1 %	5.7 %	5.7 %	5.6 %	5.7 %
Excess (Deficiency) of revenues over (under) expenditures						
Other Financing sources (uses)						
Transfers						
Total other financing sources (uses)						
Net Change in Fund Balances	\$ 296,519	\$ 278,261	\$ (266,877)	\$ 108,487	\$ 58,759	\$ 695,477
Debt Service as a Percentage of Noncapital Expenditures	6.4 %	6.1 %	5.7 %	5.7 %	5.6 %	5.7 %
Source: High Bridge School District Financial Reports						

HIGH BRIDGE SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Miscellaneous	Total
2015	\$ 2,047	\$ 125,491	\$ 14,665	\$ 142,203
2016	2,351	150,729	57,571	210,651
2017	2,372	96,990	9,722	109,084
2018	9,934	75,684	1,150	86,768
2019	12,385	166,837	84,654	263,876
2020	9,441	31,418	3,162	44,021
2021	1,263	33,996	109,758	145,017
2022	3,600	29,500	89,240	122,340
2023	3,058	2,500	21,421	26,979
2024	113,709	20,783	32,184	166,676

Source: High Bridge School District Financial Reports

HIGH BRIDGE SCHOOL DISTRICT  
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Farm Qualif.	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2014	\$ 1,635,700	\$ 337,046,400	\$ 1,478,600	\$ 9,254	\$ 11,767,400	\$ 7,221,000	\$ 509,600	\$ 359,667,954	\$ 30,292,700	\$ 359,667,954	\$ 1.60	\$ 349,430,504
2015	1,392,500	305,140,100	1,353,700	9,254	12,732,800	8,751,500	1,087,000	330,466,854	25,575,667	330,466,854	1.76	360,146,317
2016	1,396,400	304,820,800	1,353,700	8,554	12,862,200	8,751,500	1,087,000	330,280,154	25,575,667	330,280,154	1.80	361,164,047
2017	1,301,600	303,934,300	2,081,400	10,500	12,413,800	8,751,500	1,087,000	329,580,100	26,816,449	329,580,100	2.03	358,839,392
2018	1,448,300	302,871,800	2,083,300	10,200	12,330,300	9,769,200	1,067,900	329,281,000	26,817,949	329,281,000	2.13	364,046,312
2019	1,223,000	301,924,400	2,083,600	10,200	12,858,400	10,132,300	1,452,800	329,684,700	30,254,852	329,684,700	2.21	378,167,392
2020	1,353,000	303,117,800	2,077,800	10,200	14,329,300	10,867,500	1,541,900	333,297,500	29,302,452	333,297,500	2.24	356,609,251
2021	1,326,900	305,144,400	2,073,600	10,200	14,483,300	11,239,900	1,687,800	335,966,100	31,444,952	335,966,100	2.26	358,776,738
2022	1,435,300	309,200,400	2,071,600	10,200	17,394,000	11,494,900	2,053,600	343,660,000	31,062,852	343,660,000	2.25	379,241,346
2023	*	1,495,600	346,354,200	10,200	18,955,100	11,526,000	2,315,700	382,959,100	30,655,852	382,959,100	2.06	423,888,748

\* - Revaluation/reassessment effective in this year.

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

**HIGH BRIDGE SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN YEARS**  
**(RATE PER \$100 OF ASSESSED VALUE)**  
**UNAUDITED**

Year Ended December 31,	High Bridge Borough School District			Overlapping Rates					Total Direct and Overlapping Tax Rate			
	Direct Rate			Overlapping Rates								
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Regional School District	High Bridge Borough	Library	Hunterdon County					
2014	\$ 1.47	\$ 0.13	\$ 1.60	\$ 0.60	\$ 0.88	\$ 0.03	\$ 0.33	\$ 3.43				
2015	1.63	0.13	1.76	0.58	0.93	0.03	0.40	3.71				
2016	1.66	0.13	1.80	0.60	0.98	0.03	0.40	3.81				
2017	1.90	0.14	2.03	0.38	1.03		0.40	3.85				
2018	1.99	0.14	2.13	0.39	1.03		0.42	3.96				
2019	2.07	0.14	2.21	0.44	1.05		0.43	4.13				
2020	2.11	0.14	2.24	0.44	1.05		0.40	4.13				
2021	2.13	0.13	2.26	0.47	1.05		0.40	4.18				
2022	2.12	0.13	2.25	0.54	1.05		0.42	4.25				
2023 *	1.94	0.12	2.06	0.54	0.94		0.42	3.95				

Source: Municipal Tax Collector and School Business Administrator

\* - Revaluation/reassessment effective in this year.

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

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

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

HIGH BRIDGE SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

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

**NOT AVAILABLE**

Taxpayer	2014		
	Taxable Assessed Value	% of Total District Net Assessed Value	

**NOT AVAILABLE**

HIGH BRIDGE SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 5,736,139	\$ 5,736,139	100.00%	\$ -0-
2016	5,829,372	5,829,372	100.00%	-0-
2017	5,937,817	5,937,817	100.00%	-0-
2018	5,808,499	5,808,499	100.00%	-0-
2019	6,565,706	6,565,706	100.00%	-0-
2020	6,832,760	6,832,760	100.00%	-0-
2021	7,020,901	7,020,901	100.00%	-0-
2022	7,152,466	7,152,466	100.00%	-0-
2023	7,290,071	7,290,071	100.00%	-0-
2024	7,429,290	7,429,290	100.00%	-0-

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

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

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds				
2015	\$ 4,410,000		\$ 4,410,000	1.53%	\$ 1,242
2016	4,110,000		4,110,000	1.38%	1,159
2017	3,795,000		3,795,000	1.26%	1,073
2018	3,460,000		3,460,000	1.14%	999
2019	3,105,000		3,105,000	0.99%	908
2020	2,730,000		2,730,000	0.85%	806
2021	2,335,000		2,335,000	0.65%	652
2022	1,920,000		1,920,000	0.52%	534
2023	1,480,000		1,480,000	0.40%	412
2024	1,015,000		1,015,000	0.28%	283

Source: School District Financial Reports

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

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

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

General Bonded Debt Outstanding

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable <sup>a</sup> of Property	Per Capita <sup>b</sup>
2015	\$ 4,410,000	\$ -0-	\$ 4,410,000	1.211%	\$ 1,242
2016	4,110,000	-0-	4,110,000	1.143%	1,159
2017	3,795,000	-0-	3,795,000	1.148%	1,073
2018	3,460,000	-0-	3,460,000	1.050%	999
2019	3,105,000	-0-	3,105,000	0.943%	908
2020	2,730,000	-0-	2,730,000	0.828%	806
2021	2,335,000	-0-	2,335,000	0.701%	652
2022	1,920,000	-0-	1,920,000	0.571%	534
2023	1,480,000	-0-	1,480,000	0.431%	412
2024	1,015,000	-0-	1,015,000	0.265%	283

Source: School District Financial Reports

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

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

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

HIGH BRIDGE SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2023  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
High Bridge Borough	\$ 7,247,165	100.00%	\$ 7,247,165
North Hunterdon-Voorhees Regional High School District Debt	6,360,000	1.63%	6,960,000
Hunterdon County General Obligation Debt	71,347,396	1.66%	<u>1,184,367</u>
Subtotal, Overlapping Debt			15,391,532
High Bridge School District Direct Debt			<u>1,480,000</u>
Total Direct and Overlapping Debt			<u>\$ 16,871,532</u>

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

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2024	
Equalized Valuation Basis	<u><u>\$ 373,129,831</u></u>
2021	<u><u>\$ 417,874,514</u></u>
2022	<u><u>\$ 422,896,047</u></u>
2023	<u><u>\$ 1,213,900,392</u></u>
	<u><u>\$ 404,633,464</u></u>
Average Equalized Valuation of Taxable Property	<u><u>\$ 404,633,464</u></u>
Debt Limit (a) (3% of Average Equalization Value)	<u><u>\$ 12,139,004</u></u>
Net Bonded School Debt	<u><u>\$ 1,015,000</u></u>
Legal Debt Margin	<u><u>\$ 11,124,004</u></u>

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	\$ 10,712,546	\$ 10,657,631	\$ 10,723,446	\$ 10,451,820	\$ 10,894,917	\$ 10,832,724	\$ 10,740,398	\$ 10,733,690	\$ 11,407,761	\$ 12,139,004
Total Net Debt Applicable to Limit	<u><u>4,410,000</u></u>	<u><u>4,110,000</u></u>	<u><u>3,795,000</u></u>	<u><u>3,460,000</u></u>	<u><u>3,105,000</u></u>	<u><u>2,730,000</u></u>	<u><u>2,335,000</u></u>	<u><u>1,920,000</u></u>	<u><u>1,480,000</u></u>	<u><u>1,015,000</u></u>
Legal Debt Margin	<u><u>\$ 6,302,546</u></u>	<u><u>\$ 6,547,631</u></u>	<u><u>\$ 6,928,446</u></u>	<u><u>\$ 6,991,820</u></u>	<u><u>\$ 7,789,917</u></u>	<u><u>\$ 8,102,724</u></u>	<u><u>\$ 8,405,398</u></u>	<u><u>\$ 8,813,690</u></u>	<u><u>\$ 9,927,761</u></u>	<u><u>\$ 11,124,004</u></u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	41.17%	38.56%	35.39%	33.10%	28.50%	25.20%	21.74%	17.89%	12.97%	8.36%

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

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

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

Year	Population <sup>a</sup>	Hunterdon County		Total County Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
		Per Capita Personal Income <sup>b</sup>			
2015	3,551	\$ 80,981		\$ 287,563,531	5.40%
2016	3,546	83,763		297,023,598	4.70%
2017	3,536	84,912		300,248,832	4.30%
2018	3,462	87,934		304,427,508	3.80%
2019	3,418	91,946		314,271,428	3.80%
2020	3,388	95,088		322,158,144	9.40%
2021	3,584	100,288		359,432,192	5.70%
2022	3,594	102,044		366,746,136	3.90%
2023	3,592	102,044 **		366,542,048 ***	4.30%
2024	3,592 *	102,044 **		366,542,048 ***	N/A

\* - Latest Hunterdon County per capita personal income available (2023) was used for calculation purposes.

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

\*\*\* - Latest County Personal Income data available (2022) was used for calculation purposes.

N/A - Information unavailable.

Source:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Per Capita Personal Income provided by the NJ Dept of Labor and Workforce Development

<sup>c</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

HIGH BRIDGE SCHOOL DISTRICT	
PRINCIPAL EMPLOYERS - BOROUGH OF HIGH BRIDGE	
CURRENT YEAR AND NINE YEARS AGO	
UNAUDITED	
2023	2014
Employer	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

		<u>HIGH BRIDGE SCHOOL DISTRICT</u>									
		<u>FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM</u>									
		<u>LAST TEN FISCAL YEARS</u>									
		<u>UNAUDITED</u>									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Function/Program</u>											
Instruction											
Regular		31.80	31.80	30.24	30.80	32.00	30.00	29.00	29.00	29.35	28.27
Special Education		34.70	34.70	42.74	20.27	20.60	24.00	21.00	21.00	18.58	21.35
Support Services:											
School Administrative Services		3.10	3.10	3.10	3.10	3.10	3.10	3.00	3.00	3.00	3.00
General and Business Administrative Services		4.70	4.70	4.70	4.70	4.70	4.70	5.00	5.00	4.00	5.86
Plant Operations and Maintenance		5.30	5.30	6.00	6.00	6.00	6.00	7.00	7.00	8.40	5.90
Pupil transportation		0.10	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<b>79.70</b>	<b>79.70</b>	<b>86.78</b>	<b>64.87</b>	<b>66.40</b>	<b>67.80</b>	<b>65.00</b>	<b>65.00</b>	<b>63.33</b>	<b>64.38</b>

Source: District Personnel Records

HIGH BRIDGE SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change <sup>b</sup>	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	380	\$ 7,553,159	\$ 19,877	0.84%	45.0	1:8.4	377	360	2.42%	95.52%
2016	380	7,899,225	20,787	4.58%	45.0	1:8.4	378	361	0.29%	95.50%
2017	392	8,634,467	22,027	5.96%	50.0	1:8.0	390	372	3.17%	95.38%
2018	370	8,725,984	23,584	7.07%	41.0	1:9.0	370	349	-5.13%	94.32%
2019	370	8,879,954	24,000	1.76%	41.0	1:9.0	370	349	0.00%	94.32%
2020	363	8,812,076	24,276	1.15%	42.0	1:8.6	364	353	-1.62%	96.98%
2021	364	9,434,426	25,919	6.77%	42.0	1:8.7	364	352	-0.41%	96.57%
2022	348	9,906,321	28,466	9.83%	42.0	1:8.7	348	337	-4.40%	96.84%
2023	353	10,651,740	30,175	6.00%	41.0	1:8.6	354	330	1.72%	93.22%
2024	350	7,992,267	22,835	-24.32%	43.0	1:8.1	346	327	-2.26%	94.51%

Sources: High Bridge School District records

Note: Enrollment based on annual October district count.

<sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay.<sup>b</sup> Teaching staff includes only full-time equivalents of certificated staff.<sup>c</sup> Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).<sup>d</sup> The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil calculations.

**HIGH BRIDGE SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

<u><b>District Building</b></u>	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2022</b></u>	<u><b>2023</b></u>	<u><b>2024</b></u>
Elementary										
Square Feet	46,459	46,459	46,459	46,459	46,459	46,459	46,459	46,459	46,459	46,459
Capacity (students)	349	349	349	349	349	349	349	349	349	349
Enrollment	265	263	271	271	193	195	210	212	209	212
Middle School										
Square Feet	54,584	54,584	54,584	54,584	54,584	54,584	54,584	54,584	54,584	54,584
Capacity (students)	126	126	126	126	126	126	126	126	126	126
Enrollment	115	115	121	121	177	168	154	146	144	138

Number of Schools at June 30, 2024:

Elementary = 1

Middle School = 1

Source: High Bridge School District Facilities Office

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

**HIGH BRIDGE SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED MAINTENANCE**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Fiscal Year Ended June 30,	High Bridge Elementary School	High Bridge Middle School	Total
2015	\$ 57,806	\$ 65,185	\$ 122,991
2016	143,593	168,705	312,298
2017	67,743	87,745	155,488
2018	234,456	131,831	366,287
2019	175,110	98,499	273,609
2020	111,380	216,208	327,588
2021	188,062	137,088	325,150
2022	126,915	149,111	276,026
2023	213,692	94,136	307,828
2024	329,927	434,342	764,269

Source: High Bridge School District records

HIGH BRIDGE BOARD OF EDUCATIONINSURANCE SCHEDULEJUNE 30, 2024UNAUDITED

	Coverage	Deductible
Commercial Package Policy - School Alliance Insurance Fund:		
<u>PROPERTY SECTION:</u>		
Blanket Building and Contents (fund limit)	\$ 500,000,000	\$ 2,500
Accounts Receivable	2,500,000	2,500
Automobile Physical Damage	In Blanket Limit	1,000
Builders Risk	25,000,000	2,500
Electronic Data Processing Equipment	In Blanket Limit	2,500
<u>LIABILITY SECTION:</u>		
Comprehensive General Liability	5,000,000	
Automobile Liability	5,000,000	
Employee Benefit Liability	5,000,000	1,000
<u>EXCESS LIABILITY:</u>		
Excludes School Board Legal Liability	5,000,000	
<u>CRIME:</u>		
Blanket Employee Dishonesty	500,000	1,000
Forgery	50,000	1,000
Theft/Disappearance/Destruction:		
Inside	50,000	1,000
Outside	50,000	1,000
Computer Fraud	50,000	1,000
Funds Transfer Fund	50,000	1,000
Chartis (SAIF):		
<u>SCHOOL BOARD LEGAL LIABILITY</u>	5,000,000	5,000
ACE American Insurance Company (SAIF):		
<u>ENVIRONMENTAL IMPAIRMENT LIABILITY:</u>		
Limit of Liability:		
Incident	1,000,000	10,000
Fund Annual Aggregate	25,000,000	
<u>WORKERS' COMPENSATION (SAIF):</u>		
(a) Statutory Benefits	Included	
(a) Employer's Liability	5,000,000	
Supplemental Coverage (optional)	Included	
RLI Insurance Company:		
Public Employees' Faithful Performance Blanket Position Bond -		
Treasurer - Judy Favino	200,000	

SINGLE AUDIT SECTION



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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the High Bridge School District, in the County of Hunterdon (the "District") as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 22, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

### **Report on Compliance and Other Matters**

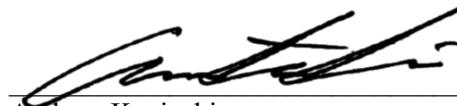
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

### **Purpose of this Report**

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

October 22, 2024  
Mount Arlington, New Jersey

NISIVOCCIA LLP



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Andrew Kucinski  
Licensed Public School Accountant #2684  
Certified Public Accountant



Mount Arlington, NJ  
Newton, NJ  
Bridgewater, NJ  
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Independent Member  
BKR International

Report on Compliance For Each Major State Program;  
Report on Internal Control Over Compliance Required by NJOMB 15-08  
Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
High Bridge School District  
County of Hunterdon, New Jersey

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited the High Bridge School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2024. The District's major state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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

***Basis for Opinion on Each Major State Program***

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey's OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

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

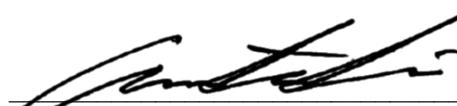
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

October 22, 2024  
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski  
Licensed Public School Accountant #2684  
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title:	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024			Amount Provided to Subrecipients
					Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received	
<u>U.S. Department of Agriculture</u>								
Passed-through State Department of Agriculture:								
Child Nutrition Cluster:								
Food Distribution Program	10,555	N/A	7/1/23-6/30/24	\$ 12,412	\$ 12,412	\$ (10,007)	\$ 2,405	
Food Distribution Program	10,555	N/A	7/1/22-6/30/23	\$ 12,986	\$ 2,789	\$ (2,789)	\$ (1,467)	
National School Lunch Program	10,555	N/A	7/1/23-6/30/24	34,330		33,363	(34,830)	
National School Lunch Program	10,555	N/A	7/1/22-6/30/23	40,339	(2,260)	2,260		
School Breakfast Program	10,555	N/A	7/1/23-6/30/24	78		78	(78)	
COVID-19 - Supply Chain Assistance	10,555	N/A	7/1/23-6/30/24	12,902		12,902		
COVID-19 - Supply Chain Assistance	10,555	N/A	7/1/22-6/30/23	30,335	21,994	(16,045)	5,949	
Total U.S. Department of Agriculture Child Nutrition Cluster				<u>22,523</u>	<u>22,523</u>	<u>(64,402)</u>	<u>21,256</u>	<u>(1,467)</u>
Total Enterprise Funds				<u>22,523</u>	<u>22,523</u>	<u>(64,402)</u>	<u>21,256</u>	<u>(1,467)</u>
<u>U.S. Department of Education</u>								
Passed-through State Department of Education:								
Elementary and Secondary Education Act:								
Title I	84,010A	ESFA-2140-24	7/1/23-9/30/24	28,172		21,359	(21,359)	
Title I	84,010A	ESFA-2140-23	7/1/22-9/30/23	51,645	(10,891)	10,891		
Title II - Part A	84,367	ESFA-2140-24	7/1/23-9/30/24	12,427		8,250	(8,250)	
Title III	84,365	ESFA-2140-24	7/1/23-9/30/24	919		879	(879)	
Title III	84,365	ESFA-2140-23	7/1/22-9/30/23	980		1,020	(1,020)	
Title IV	84,424	ESFA-2140-24	7/1/23-9/30/24	18,609	(10,891)	9,226	(14,358)	(5,132)
Total Elementary and Secondary Education Act				<u>51,625</u>	<u>(10,891)</u>	<u>(45,866)</u>	<u>(5,132)</u>	<u>(5,132)</u>
Special Education Cluster:								
ID.E.A. Part A, Basic	84,027	IDEA-2140-24	7/1/23-9/30/24	139,180		106,547	(130,799)	(24,252)
ID.E.A. Part A, Basic	84,027	IDEA-2140-23	7/1/22-9/30/23	157,881	(37,358)	37,385	(27)	
ID.E.A. Part B, Preschool	84,173	IDEA-2140-24	7/1/23-9/30/24	4,503		441	(1,134)	(693)
ID.E.A. Part B, Preschool	84,173	IDEA-2140-23	7/1/22-9/30/23	6,438	(1,430)	1,635	(205)	
A.R.P. I.D.E.A. Part B, Preschool	84,027X	H027X210100	7/1/21-9/30/22	1,424		1,424	(1,424)	
Total Special Education Cluster				<u>(38,788)</u>	<u>(38,788)</u>	<u>(147,432)</u>	<u>(133,589)</u>	<u>(24,945)</u>
Education Stabilization Fund:								
COVID-19 - CRRSA - Accelerated Learning Coach and Educator Support	84,425D	S425D3210027	3/1/20-9/30/23	25,000		22,600	(22,600)	
COVID-19 - CRRSA - NITSS Mental Health Support Staffing	84,425D	S425D210027	3/1/20-9/30/23	45,000	480	27,411	(27,891)	
COVID-19 - A.R.P. - ESSER III	84,425U	S425U210027	3/1/20-9/30/24	251,658	(4,849)	118,313	(116,279)	(2,815)
COVID-19 - A.R.P. - Accelerated Learning Coach and Educator Support	84,425U	S425U210027	3/1/20-9/30/24	50,000		2,100	(2,100)	
COVID-19 - A.R.P. - Evidence Based Summer Learning and Enrichment	84,425U	S425U210027	3/1/20-9/30/24	45,000		(11,998)	(11,998)	
COVID-19 - A.R.P. - Evidence Based Comprehensive Beyond the School Day	84,425U	S425U210027	3/1/20-9/30/24	45,000	(3,050)	30,692	(35,227)	(4,535)
COVID-19 - A.R.P. - NITSS Mental Health Support Staffing	84,425U	S425U210027	3/1/20-9/30/24	45,000	(7,419)	42,712	(41,930)	(2,288)
Total Education Stabilization Fund				<u>653</u>	<u>(7,419)</u>	<u>243,828</u>	<u>(258,045)</u>	<u>(21,636)</u>
COVID-19 - Pandemic Electronic Benefit Transfer	10,649	N/A	7/1/23-6/30/24	653		653	(653)	
Total U.S. Department of Education				<u>(57,098)</u>	<u>653</u>	<u>443,538</u>	<u>(438,153)</u>	<u>(51,713)</u>
Total Special Revenue Fund				<u>(57,098)</u>	<u>653</u>	<u>443,538</u>	<u>(438,153)</u>	<u>(51,713)</u>
Total Federal Financial Awards				<u>\$ (34,575)</u>	<u>\$ -0-</u>	<u>\$ 504,553</u>	<u>\$ (501,902)</u>	<u>\$ 21,256</u>

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

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Cash Received	Balance June 30, 2023		Balance June 30, 2024		Memo	
					Unearned Revenue/ (Accounts Receivable)	Budgetary Expenditures	Unearned Revenue (Accounts Receivable)	Budgetary Expenditures	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
<b>General Fund:</b>										
State Department of Education:										
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 426,548	\$ 383,894	\$ (426,548)	\$ (42,654)	\$ 426,548			
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	275,401	247,861	(275,401)	(27,540)	275,401			
Security Aid	24-100-034-5120-094	7/1/23-6/30/24	34,384	30,946	(34,384)	(3,438)	34,384			
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	14,338	12,904	(14,338)	(1,434)	14,338			
Nonpublic Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	6,825	(6,825)	(6,825)	(6,825)	6,825			
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	428,783	(428,783)	(428,783)	(428,783)	428,783			
Reimbursed TPAF Social Security Contributions	24-495-034-5095-002	7/1/23-6/30/24	263,308	210,697	(263,308)	(52,611)	254,282			
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	275,249	\$ (77,224)	\$ (77,224)	\$ (77,224)	773,249			
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	1,048	(105)	(105)	(105)	1,048			
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	14,338	(1,434)	(1,434)	(1,434)	14,338			
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	275,401	(27,540)	(27,540)	(27,540)	275,401			
Security Aid	23-100-034-5120-094	7/1/22-6/30/23	34,384	(3,438)	(3,438)	(3,438)	34,384			
Nonpublic Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	3,432	(3,432)	(3,432)	(3,432)	3,432			
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	389,484	(389,484)	(389,484)	(389,484)	389,484			
TPAF Pension Contributions (On-Behalf - Non-Budgeted)	24-495-034-5094-002	7/1/23-6/30/24	1,392,226	(1,392,226)	(1,392,226)	(1,392,226)	1,392,226			
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)	24-495-034-5094-001	7/1/23-6/30/24	383,389	(383,289)	(383,289)	(383,289)	383,289			
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)	24-495-034-5094-004	7/1/23-6/30/24	15,580	15,880	(15,880)	(15,880)	15,880			
TPAF Long Term Disability Insurance (On-Behalf - Non-Budgeted)	24-495-034-5094-004	7/1/23-6/30/24	487	(487)	(487)	(487)	487			
Reimbursed TPAF Social Security Contributions	23-495-034-5095-002	7/1/22-6/30/23	263,080	(26,426)	(26,426)	(26,426)	263,080			
Total General Fund Contributions				(529,183)	(3,207,567)	(3,241,69)	(488,219)			
Special Revenue Fund:										
State Department of Education:										
Preschool Education Aid	24-495-034-5120-086	7/1/23-6/30/24	86,196	775,797	(408,496)	\$ 433,500				
Preschool Education Aid	23-495-034-5120-086	7/1/22-6/30/23	842,340	64,139	84,234	\$ 5	148,378			
Preschool Education Aid	22-495-034-5120-086	7/1/21-6/30/22	909,216	409,143	(409,143)					
SDA Emergent and Capital Maintenance Needs	NA	7/1/23-6/30/24	8,116		8,116		8,116			
SDA Emergent and Capital Maintenance Needs	NA	7/1/22-6/30/23	8,293		8,293		8,293			
Climate Change Grant	NA	7/1/22-6/30/23	6,660	(1,780)	1,780					
Total Special Revenue Fund				471,502	878,220	(834,048)	5			
Debt Service Fund:										
Debt Service Type II Aid	24-100-034-5120-124	7/1/23-6/30/24	79,353		79,353		(79,353)			
Total Debt Service Fund										
Enterprise Fund:										
State Department of Agriculture:										
State School Lunch Program	24-495-034-5094-002	7/1/23-6/30/24	2,054		1,966		(2,054)			
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	2,277		(124)		124			
Total Enterprise Fund										
Total State Financial Awards										
Less: State Awards Not Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ (1,392,426)							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	(383,289)							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	(15,880)							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	383,289							
On-Behalf TPAF Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	15,880							
Subtotal - On-Behalf TPAF Pension System Contributions										
Total State Awards Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	\$ 1,392,426							
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23								

Less: State Awards Not Subject to Single Audit Major Program Determination  
On-Behalf TPAF Pension System Contributions:  
On-Behalf TPAF Post Retirement Contributions  
On-Behalf TPAF Pension Contributions  
On-Behalf TPAF Non-Contributory Insurance  
On-Behalf TPAF Long-Term Disability Insurance  
Subtotal - On-Behalf TPAF Pension System Contributions  
Total State Awards Subject to Single Audit Major Program Determination

SEE ACCOMMADATING NOTES TO SCIENTISTS OF EVIDENTIARIES OF FEDERAL AND STATE AWARDS

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

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, High Bridge School District under programs of the federal and state governments for the fiscal year ended June 30, 2024. 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's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$34,775) for the general fund and \$1,382 for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general special revenue funds.

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

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS (Cont'd)

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

	Federal	State	Total
General Fund		\$ 3,276,444	\$ 3,276,444
Special Revenue Fund	\$ 437,678	832,488	1,270,166
Debt Service Fund		79,353	79,353
Enterprise Fund	<u>64,402</u>	<u>2,054</u>	<u>66,456</u>
Total	<u><u>\$ 502,080</u></u>	<u><u>\$ 4,190,339</u></u>	<u><u>\$ 4,692,419</u></u>

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

NOTE 5. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2024.

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

**Section I - Summary of Auditors' Results**

**Financial Statements**

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

Unmodified

Internal control over financial reporting:

1.) Material weakness identified?	<u>      </u>	Yes	<u>X</u>	No
2.) Significant deficiencies identified?	<u>      </u>	Yes	<u>X</u>	None reported
Noncompliance material to basic financial statements noted?	<u>      </u>	Yes	<u>X</u>	No

**Federal Awards**

The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2024 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Uniform Guidance.

**State Awards**

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

Unmodified

Internal control over major programs:

1.) Material weakness identified?	<u>      </u>	Yes	<u>X</u>	No
2.) Significant deficiencies identified?	<u>      </u>	Yes	<u>X</u>	None reported
Noncompliance material to basic financial statements noted?	<u>      </u>	Yes	<u>X</u>	No

Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?

Yes X No

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
<b>State Aid Public:</b>					
Equalization Aid	24-495-034-5120-078	7/1/23	6/30/24	\$ 426,548	\$ 426,548
Special Education Aid	24-495-034-5120-089	7/1/23	6/30/24	275,401	275,401
Security Aid	24-495-034-5120-084	7/1/23	6/30/24	34,384	34,384
Preschool Education Aid	24-495-034-5120-086	7/1/23	6/30/24	861,996	408,496
Preschool Education Aid	22-495-034-5120-086	7/1/21	6/30/22	909,216	409,143

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

Dollar threshold used to distinguish between Type A and B programs	\$ <u>750,000</u>
Auditee qualified as low-risk auditee?	X Yes No

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

Status of Prior Year Findings:

There were no prior year findings.