

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**

Little Silver, New Jersey  
County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2025**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**OF THE**  
**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**LITTLE SILVER, NEW JERSEY**

**YEAR ENDED JUNE 30, 2025**

**PREPARED BY DISTRICT FINANCE OFFICER**  
**SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

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## INTRODUCTORY SECTION

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RED BANK REGIONAL HIGH SCHOOL

OUR MISSION: TO ENSURE THE ACADEMIC SUCCESS & PERSONAL GROWTH OF ALL STUDENTS WHILE DEVELOPING IN THEM A PASSION FOR LEARNING.

December 15, 2025

Honorable President and  
Members of the Board of Education  
Red Bank Regional High School District  
Little Silver, New Jersey 07739

Dear Members of the Board of Education:

I am pleased to submit The Annual Comprehensive Financial Report of the Red Bank Regional High School District (hereafter the "District") for the fiscal year ending June 30, 2025. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain and understand 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 which is designed to complement Management's Discussion and Analysis and should be read in conjunction with the audit, the District's organizational chart and a list of principal officials. The Financial section includes the independent Auditor's Report, Management Discussion and Analysis (MD&A) and the basic financial statements including the government-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The Statistical section includes selected financial and demographic information 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 (Uniform Guidance)* and New Jersey OMB'S Circular 15-08, *Single Audit Policy* for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** The district is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14, amended by GASB Statements No. 39, 61, 80, and 97. All funds of the District are included in this report. The Red Bank Regional High School District and its high school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through including general education, special education and vocational education programs. The District is a one high school-school district.

The following details the changes in the student enrollment of the District over the last ten years:

| <b>Fiscal Year</b> | <b>Student Enrollment</b> | <b>Percent Change</b> |
|--------------------|---------------------------|-----------------------|
| 2024-2025          | 1264                      | -2.62%                |
| 2023-2024          | 1298                      | -0.38%                |
| 2022-2023          | 1303                      | 2.60%                 |
| 2021-2022          | 1270                      | -0.31%                |
| 2020-2021          | 1274                      | 2.08%                 |
| 2019-2020          | 1248                      | 3.31%                 |
| 2018-2019          | 1208                      | 3.23%                 |
| 2017-2018          | 1216                      | 3.23%                 |
| 2016-2017          | 1178                      | -1.09%                |
| 2015-2016          | 1191                      | -1.57%                |

The District projects that the enrollment for the 2025-2026 school year is expected to remain relatively flat. Our enrollment projection is based on prior year enrollments and incoming 8<sup>th</sup> graders from Red Bank, Little Silver, and Shrewsbury.

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

Local, state, and federal economic conditions continue to create economic challenges and uncertainty for the school district. The 2024-2025 School Budget as approved by the Board of Education in April 2025 which provides for a thorough and efficient education, although that is becoming more and more difficult with each passing year given P.L. 2018, Chapter 67 (known as ‘S2’). The overall tax levy increase for the 2024-2025 budget was 2.64% or \$706,037 which included a 2% CAP plus a 0.67% health benefit waiver. It should be noted what given the Department of Educations’ allocation of taxes between the constituent municipalities in the regional district being based on equalized valuation, even smaller percentages changes in the largest ratable base can have a significant impact on the tax allocation for the other communities in the district.

The District continues to be concerned about the status of the economy and the fiscal health of the State of New Jersey. The State again delayed the payment of the final two State Aid payments for the year, totaling \$186,447 as of June 30, 2025, which they have done for many years. The District holds a receivable until July when the State makes its payment. Although the District will continue to strive to find fiscal efficiencies in all aspects of our operations, we remain concerned about our levels of surplus and reserves and the impact of the 2% annual property tax levy cap, and most notably the impact of current and future allocations of State Aid.

The major funding source for the operating budget continues to be the local tax levy. The local tax levy funded 79.31% of the 2024-2025 budget. The reliance on the local taxpayers to fund the majority of the district’s budget will likely continue. According to the NJ Department of Education, Office of School Funding, the District’s tax levy exceeds the Local Fair Share and the district’s total budget exceeds the “adequacy model” used to calculate state aid.

The school building began construction in 1972 and opened for the first time for the 1975-1976 school year. The School facility is aging and requires additional maintenance every year. Renovations and additions have been completed throughout the years, most recently referendum projects listed below. Although the new additions to the school have improved the facilities, there are still many areas that need updating and improvement. The District completed a Facilities Assessment which was used to update its Long Range Facilities Plan. This five-year plan encompasses all major and minor maintenance and repair needs, upgrades, facility needs and capital projects. The District has completed a 4-unit HVAC/RTU replacement, under the referendum, and intends on another 4-unit replacement in the summer of 2026 utilizing ROD grants awarded to the District from the NJSDA. Other facility needs are prioritized and planned for during the following school year's budget.

### **3. MAJOR INITIATIVES:**

The Red Bank Regional High District continued to expand the use of educational technology to increase student engagement and academic success. Major activities in support of this goal included the continuation of a full 1:1 device program for grade 9-12 as well as connectivity for our students. The District develops an annual unified professional development goal for all staff. The Board adopted a new 5-year District Strategic plan.

The District is completing its last project under the referendum for site improvements on the athletic stadium which is targeted to be substantially complete by the end of January 2026.

### **4. INTERNAL ACCOUNTING CONTROLS:**

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

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

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

### **5. BUDGETARY CONTROLS:**

In addition to internal controls, the district maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special

revenue funds, 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. P.L. 2011 c 202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers.

Beginning with the 2012-2013 budget, the state of New Jersey allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers. The Red Bank Regional Board of Education elected to eliminate the budget vote at that time. In addition to the 2% limit on tax levy increases, there are restrictions on budget transfers during the year that can be made without NJDOE approval.

The annual budget process starts in September for the following school year. The District follows a zero-based budgeting model. School administration prepares their requests which are then reviewed by the District Administration and the Board's Finance Committee. The final revenue projection is determined when the State releases the State Aid for the following school year. Along with the current 2% tax levy cap (plus available waivers), projected academy tuition and other miscellaneous revenue, a preliminary budget is set. The Board approves the final budget at the annual budget hearing in the Spring.

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 at fiscal year end. The Business Administrator and the Superintendent meet with the Finance Committee regularly to review the school budget and areas of concern.

#### **6. ACCOUNTING SYSTEM AND REPORTS:**

The District's accounting records reflect generally accepted accounting principles as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the District is organized based on funds and account groups. These funds and account groups are explained in the "Notes to the Financial Statements", Note 1.

#### **7. OTHER INFORMATION:**

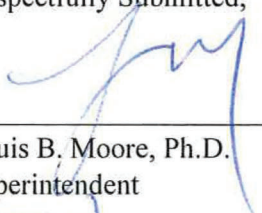
Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of New Jersey OMB'S Circular 15-08, Single Audit Policy for recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining the individual fund statements and schedules is included in the financial section of this report. The auditor's reports, related specifically to the single audit are included in the audit section of this report.

#### **8. CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING AWARD:**

The district received the Certificate of Excellence in Financial Reporting Award from the Association of School Business Officials International for the June 30, 2024 Annual Comprehensive Financial Reports (the fifth year in a row the district has achieved this award).

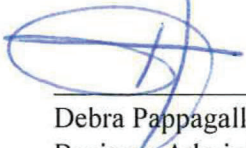
**9. ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Red Bank Regional High School District for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully Submitted,



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Louis B. Moore, Ph.D.  
Superintendent

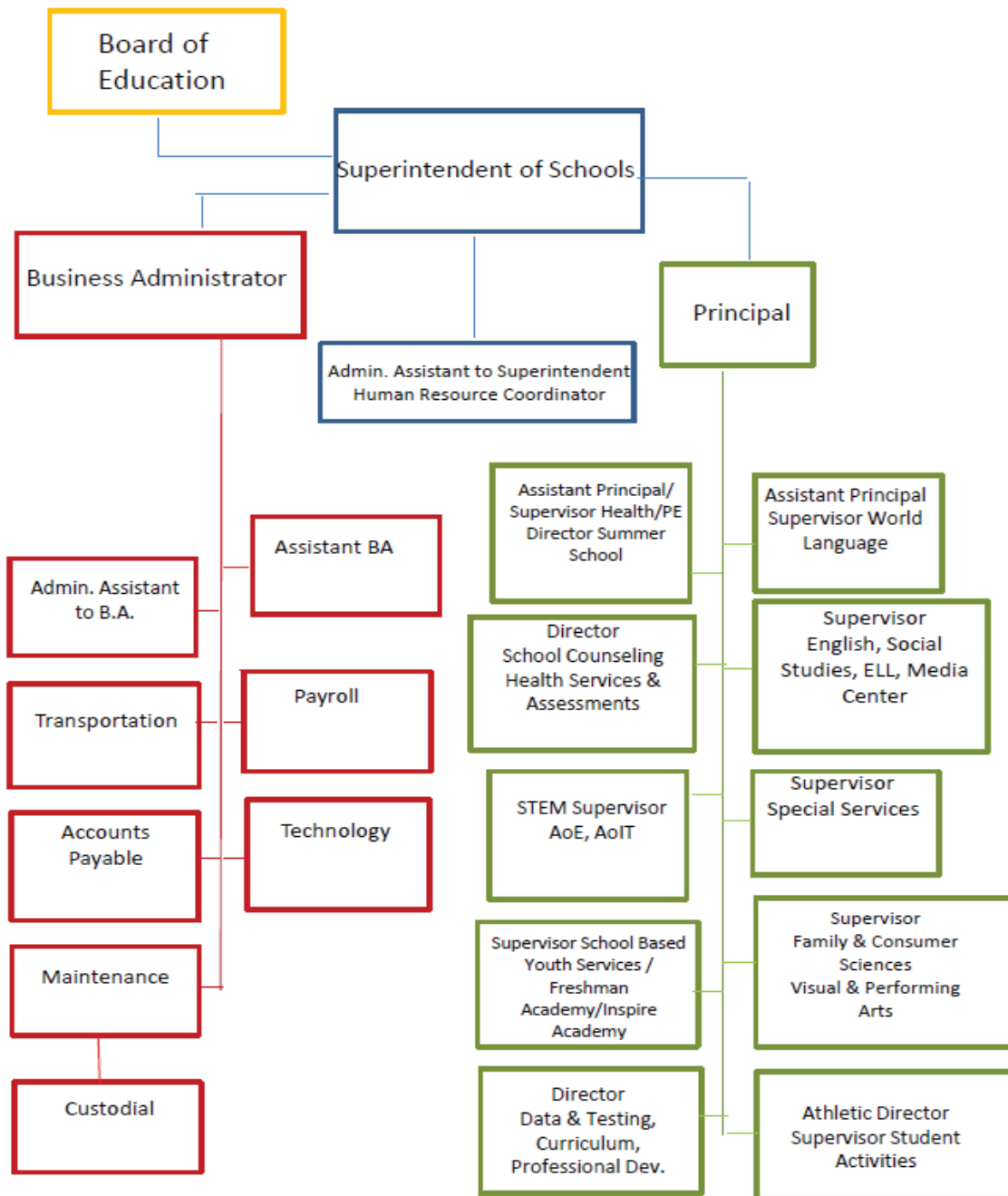


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Debra Pappagallo  
Business Administrator/Board Secretary

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## RED BANK REGIONAL ADMINISTRATIVE CHART



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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LITTLE SILVER, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2025**

**Members of the Board of Education**

**TERM EXPIRES**

|                            |      |
|----------------------------|------|
| Patrick Noble - President  | 2027 |
| Tara Gibb - Vice President | 2027 |
| Memone Crystian            | 2025 |
| Amanda Galante             | 2026 |
| John Garofalo              | 2025 |
| Ursula Henry               | 2027 |
| Jennifer Lipp              | 2026 |
| Mark Taylor                | 2025 |
| Nicole Woods               | 2026 |

**Other Officials**

Louis B. Moore, PH. D., Superintendent of Schools

Debra Pappagallo, School Business Administrator/Board Secretary

Athina Cornell, Esq., Board Attorney

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LITTLE SILVER, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2025**

**AUDITOR/AUDIT FIRM**

Robert W. Allison, CPA, PSA  
Holman Frenia Allison, P. C.  
1985 Cedar Bridge Ave., Suite 3  
Lakewood, NJ 08701

**ATTORNEY**

Athina Cornell, Esq.  
Methfessel & Werbel  
2025 Lincoln Highway - Suite 200  
Edison, NJ 08818

**OFFICIAL DEPOSITORY**

TD Bank  
89 W Front Street  
Red Bank, NJ 07701

Citizens Bank  
20 White Street  
Red Bank, NJ 07701

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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Red Bank Regional High School District**  
**for its Annual Comprehensive Financial Report**  
**for the Fiscal Year Ended June 30, 2024.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

**Ryan S. Stechschulte**  
**President**

A handwritten signature in black ink, reading 'James M. Rowan'.

**James M. Rowan, CAE, SFO**  
**CEO/Executive Director**

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**FINANCIAL SECTION**

Second Section

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## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Red Bank Regional High School District  
County of Monmouth  
Little Silver, NJ 07739

### Report on 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 Red Bank Regional High School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended, June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2025, and the respective changes in the financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

### Emphasis of Matter

#### *Change in Accounting Principle*

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2025 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibility**

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

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

- Exercise professional 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 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are 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 combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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.

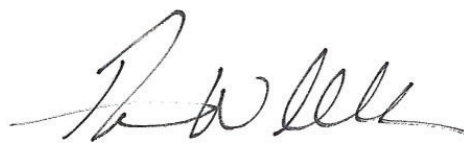
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 December 15, 2025 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C

A handwritten signature in black ink, appearing to read 'R. W. Allison', written over a horizontal line.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, No. 897

Lakewood, New Jersey  
December 15, 2025

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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## RED BANK REGIONAL HIGH SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025 UNAUDITED

This section of the Red Bank Regional High School District's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. 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.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2024-2025) and the prior fiscal year (2023-2024) is required to be presented in the MD&A.

#### FINANCIAL HIGHLIGHTS

Key financial highlights for 2025 are as follows:

- In total, net position of governmental activities increased \$2,243,811, which represents a 8% increase from 2024. Total net position of business-type activities decreased \$11,458, which represents a decrease of 6% from 2024.
- General revenues accounted for \$33,114,396 in revenue or 70% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$13,990,670 or 30% of total revenues of \$47,105,066.
- Total assets of governmental activities increased by \$1,118,035 as cash and cash equivalents increased by \$546,024, receivables increased by \$47,401, restricted cash and cash equivalents decreased by \$478,403, and total capital assets increased by \$1,002,693.
- Total liabilities of governmental activities decreased by \$1,030,573 as long term liabilities decreased by \$1,067,583.
- In the governmental funds, the general fund had \$40,663,230 in revenues and \$38,715,926 in expenditures. A transfer of \$2,839,200 to the Capital Projects Fund and a transfer in of \$854,771 is presented as an other financing source. The general fund's fund balance decreased by \$37,125 over 2024.

#### FURTHER ANALYSIS OF SIGNIFICANT BALANCE AND TRANSACTIONS

A breakdown of the the Districts restricted governmental fund balances for 2025 are as follows:

|                            | <u>Balance</u><br><u>6/30/2024</u> | <u>Increased</u>    | <u>Decreased</u>    | <u>Balance</u><br><u>6/30/2025</u> |
|----------------------------|------------------------------------|---------------------|---------------------|------------------------------------|
| ·Capital Projects          | \$ 2,651,245                       | \$ 2,879,392        | \$ 2,743,472        | \$ 2,787,165                       |
| ·Capital Reserve           | 8,399,808                          | 2,468,304           | 2,839,200           | 8,028,912                          |
| ·Maintenance Reserve       | 1,578,148                          | 500,000             | 500,000             | 1,578,148                          |
| ·Unemployment Compensation | 107,187                            | 2,621               | -                   | 109,808                            |
| ·Scholarships              | 3,249,801                          | 121,876             | 88,254              | 3,283,423                          |
| ·Student Activities        | 149,382                            | 306,866             | 274,912             | 181,336                            |
| Totals                     | <u>\$ 16,135,571</u>               | <u>\$ 6,279,059</u> | <u>\$ 6,445,838</u> | <u>\$ 15,968,792</u>               |

## USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Red Bank Regional School Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

**Fund Financial Statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

### ***Proprietary Funds***

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

### **Government-Wide Financial Analysis**

The District's financial position is the result of several types of financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2025 and 2024, respectively:

**Net Position**  
**June 30, 2025**

|                                       | Governmental Activities |                      | Business-Type Activities |                   |
|---------------------------------------|-------------------------|----------------------|--------------------------|-------------------|
|                                       | <u>2025</u>             | <u>2024</u>          | <u>2025</u>              | <u>2024</u>       |
| <b>Assets</b>                         |                         |                      |                          |                   |
| Current and Other                     |                         |                      |                          |                   |
| Assets                                | \$ 21,201,786           | \$ 21,086,444        | \$ 157,591               | \$ 161,883        |
| Capital Assets, Net                   | 35,398,277              | 34,395,584           | 38,264                   | 44,916            |
| Total Assets                          | <u>56,600,063</u>       | <u>55,482,028</u>    | <u>195,855</u>           | <u>206,799</u>    |
| <b>Deferred Outflows of Resources</b> |                         |                      |                          |                   |
| Deferred Outflows                     |                         |                      |                          |                   |
| Relating to Pension                   | 520,507                 | 616,542              | -                        | -                 |
| Total Deferred Outflows of Resources  | <u>520,507</u>          | <u>616,542</u>       | <u>-</u>                 | <u>-</u>          |
| <b>Liabilities</b>                    |                         |                      |                          |                   |
| Long-Term Liabilities*                | 25,424,209              | 26,460,544           | -                        | -                 |
| Other Liabilities                     | 1,123,565               | 1,117,803            | 2,454                    | 1,940             |
| Total Liabilities                     | <u>26,547,774</u>       | <u>27,578,347</u>    | <u>2,454</u>             | <u>1,940</u>      |
| <b>Deferred Inflows of Resources</b>  |                         |                      |                          |                   |
| Deferred Inflows                      |                         |                      |                          |                   |
| Relating to Pension                   | 984,654                 | 1,175,892            | -                        | -                 |
| Total Deferred Inflows of Resources   | <u>984,654</u>          | <u>1,175,892</u>     | <u>-</u>                 | <u>-</u>          |
| <b>Net Position</b>                   |                         |                      |                          |                   |
| Net Investment in:                    |                         |                      |                          |                   |
| Capital Assets                        | 18,918,277              | 17,115,584           | 38,264                   | 44,916            |
| Restricted                            | 16,114,028              | 16,487,415           | -                        | -                 |
| Unrestricted*                         | (5,444,163)             | (6,258,668)          | 155,137                  | 159,943           |
| Total Net Position                    | <u>\$ 29,588,142</u>    | <u>\$ 27,344,331</u> | <u>\$ 193,401</u>        | <u>\$ 204,859</u> |

The District's largest net position component is Net Investment in Capital Assets as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position decreased by \$373,387 from the prior year to \$16,114,028 at June 30, 2025.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$5,444,163) is shown as unrestricted net position for Governmental Activities.

\*For the year ended June 30, 2024, Net Position and Long-Term Liabilities are restated for GASB 101 (See Note 20 for further detail).

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2025 and 2024. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

|                                                    | <b><u>June 30, 2025</u></b> |                   |               |
|----------------------------------------------------|-----------------------------|-------------------|---------------|
|                                                    | Governmental                | Business-Type     |               |
|                                                    | <u>Activities</u>           | <u>Activities</u> | <u>Total</u>  |
| <b>Revenues:</b>                                   |                             |                   |               |
| Program Revenues:                                  |                             |                   |               |
| Charges for Services                               | \$ 3,208,881                | \$ 265,689        | \$ 3,474,570  |
| Operating Grants and Contributions                 | 10,275,070                  | 241,030           | 10,516,100    |
| General Revenues:                                  |                             |                   |               |
| Property Taxes                                     | 28,621,956                  | -                 | 28,621,956    |
| Federal and State Aid                              | 3,557,389                   | -                 | 3,557,389     |
| Miscellaneous                                      | 930,014                     | 5,037             | 935,051       |
| Total Revenues                                     | 46,593,310                  | 511,756           | 47,105,066    |
| <b>Expenses:</b>                                   |                             |                   |               |
| Instructional Services                             | 24,929,545                  | -                 | 24,929,545    |
| Support Services                                   | 18,719,024                  | 523,214           | 19,242,238    |
| Interest and Other Charges                         | 700,930                     | -                 | 700,930       |
| Total Expenses                                     | 44,349,499                  | 523,214           | 44,872,713    |
| Change in Net Position                             | 2,243,811                   | (11,458)          | 2,232,353     |
| Net Position- Beginning, As Restated (See Note 20) | 27,344,331                  | 204,859           | 27,549,190    |
| Net Position, Ending                               | \$ 29,588,142               | \$ 193,401        | \$ 29,781,543 |
|                                                    |                             |                   |               |
|                                                    | <b><u>June 30, 2024</u></b> |                   |               |
|                                                    | Governmental                | Business-Type     |               |
|                                                    | <u>Activities</u>           | <u>Activities</u> | <u>Total</u>  |
| <b>Revenues:</b>                                   |                             |                   |               |
| Program Revenues:                                  |                             |                   |               |
| Charges for Services                               | \$ 3,219,818                | \$ 268,149        | \$ 3,487,967  |
| Operating Grants and Contributions                 | 10,163,848                  | 239,525           | 10,403,373    |
| General Revenues:                                  |                             |                   |               |
| Property Taxes                                     | 27,917,963                  | -                 | 27,917,963    |
| Federal and State Aid                              | 3,094,280                   | -                 | 3,094,280     |
| Miscellaneous                                      | 897,118                     | 6,487             | 903,605       |
| Total Revenues                                     | 45,293,027                  | 514,161           | 45,807,188    |
| <b>Expenses:</b>                                   |                             |                   |               |
| Instructional Services                             | 24,434,753                  | -                 | 24,434,753    |
| Support Services                                   | 17,577,179                  | 512,503           | 18,089,682    |
| Interest and Other Charges                         | 732,200                     | -                 | 732,200       |
| Total Expenses                                     | 42,744,132                  | 512,503           | 43,256,635    |
| Change in Net Position                             | 2,548,895                   | 1,658             | 2,550,553     |
| Net Position, Beginning                            | 29,510,942                  | 203,201           | 29,714,143    |
| Net Position, Ending                               | \$ 32,059,837               | \$ 204,859        | \$ 32,264,696 |

## Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

## Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, capital projects fund, and debt service fund revenues and expenses for the fiscal year ended June 30, 2025 and 2024 and the amount and percentage of increases and (decreases) in relation to prior year revenues. and expenses.

| <b>June 30, 2025</b>  |                      |                  |                               |                                |  |
|-----------------------|----------------------|------------------|-------------------------------|--------------------------------|--|
|                       | Amount               | Percent Of Total | Increase (Decrease) From 2024 | Percent of Increase (Decrease) |  |
| Current Revenues:     |                      |                  |                               |                                |  |
| Local Sources         | \$ 32,785,530        | 74%              | \$ 675,524                    | 2%                             |  |
| State Sources         | 10,658,399           | 24%              | 177,299                       | 2%                             |  |
| Federal Sources       | 1,112,525            | 2%               | (42,425)                      | -4%                            |  |
| Total                 | <u>\$ 44,556,454</u> | <u>100%</u>      | <u>\$ 810,398</u>             | <u>2%</u>                      |  |
| Current Expenditures: |                      |                  |                               |                                |  |
| Instruction           | \$ 14,070,701        | 32%              | \$ 3,764                      | 0%                             |  |
| Undistributed         | 26,425,848           | 59%              | 821,936                       | 3%                             |  |
| Capital Outlay        | 2,492,638            | 6%               | 630,052                       | 34%                            |  |
| Debt Service:         |                      |                  |                               |                                |  |
| Principal             | 800,000              | 2%               | 25,000                        | 3%                             |  |
| Interest              | 714,263              | 2%               | (27,625)                      | -4%                            |  |
| Total                 | <u>\$ 44,503,450</u> | <u>100%</u>      | <u>\$ 1,445,599</u>           | <u>3%</u>                      |  |
| <b>June 30, 2024</b>  |                      |                  |                               |                                |  |
|                       | Amount               | Percent Of Total | Increase (Decrease) From 2023 | Percent of Increase (Decrease) |  |
| Current Revenues:     |                      |                  |                               |                                |  |
| Local Sources         | \$ 32,110,006        | 73%              | \$ 1,165,943                  | 4%                             |  |
| State Sources         | 10,481,100           | 24%              | 1,093,503                     | 12%                            |  |
| Federal Sources       | 1,154,950            | 3%               | 68,689                        | 6%                             |  |
| Total                 | <u>\$ 43,746,056</u> | <u>100%</u>      | <u>\$ 2,328,135</u>           | <u>6%</u>                      |  |
| Current Expenditures: |                      |                  |                               |                                |  |
| Instruction           | \$ 14,074,465        | 33%              | \$ 183,254                    | 1%                             |  |
| Undistributed         | 25,603,912           | 59%              | 1,934,933                     | 8%                             |  |
| Capital Outlay        | 1,862,586            | 4%               | 633,934                       | 52%                            |  |
| Debt Service:         |                      |                  |                               |                                |  |
| Principal             | 775,000              | 2%               | 30,000                        | 4%                             |  |
| Interest              | 741,888              | 2%               | (26,525)                      | -3%                            |  |
| Total                 | <u>\$ 43,057,851</u> | <u>100%</u>      | <u>\$ 2,755,596</u>           | <u>7%</u>                      |  |

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

## General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2024-2025 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so. A breakdown of 2024-2025's budget activity is as follows:

| <b>Revenues - General Fund*</b>     |                    |                       |              |                |  |
|-------------------------------------|--------------------|-----------------------|--------------|----------------|--|
|                                     | Original Budget    | Final Budget          | % Difference | \$ Difference  |  |
| Local Sources                       | \$ 31,232,536      | \$ 31,232,536         | 0.00%        | \$ -           |  |
| State Sources                       | 2,184,229          | 2,184,229             | 0.00%        | -              |  |
| Federal Sources                     | 20,639             | 20,639                | 0.00%        | -              |  |
|                                     | Final Budget       | Actual Revenue        | % Difference | \$ Difference  |  |
| Local Sources                       | \$ 31,232,536      | \$ 31,182,989         | -0.16%       | \$ (49,547)    |  |
| State Sources**                     | 2,184,229          | 2,759,919             | 26.36%       | 575,690        |  |
| Federal Sources                     | 20,639             | 11,525                | -44.16%      | (9,114)        |  |
| <b>Expenditures - General Fund*</b> |                    |                       |              |                |  |
|                                     | Original Budget*** | Final Budget          | % Difference | \$ Difference  |  |
| General Fund                        | \$ 35,453,391      | \$ 38,292,591         | 8.01%        | \$ 2,839,200   |  |
|                                     | Final Budget       | Actual Expenditures** | % Difference | \$ Difference  |  |
| General Fund                        | \$ 38,292,591      | \$ 33,984,256         | -11.25%      | \$ (4,308,335) |  |

\*Please see exhibit C-1 for more details

\*\*Excluding non-budgeted amounts

\*\*\*Includes Prior Year Encumbrances

Significant Budget Transfers and Variations:

- TPAF, which is the state's contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2024-2025 year.

Based on the financial results of 2024-2025 unassigned fund balance decreased by \$37,125 to \$12,694,094 (4% required per S-1701, net of allowable adjustments).

**Proprietary Funds.** The District's proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of \$(11,458) in 2024-2025 as compared to a change in net position of \$1,658 in 2023-2024. The food service fund required no contributions from the Board in 2024-2025.

**Capital Assets**

At June 30, 2025 the District has capital assets of \$35,436,541, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment. Yearly activity, net of depreciation, is summarized below:

| <b><u>Governmental Activities</u></b> |                                            |                         |                           |                         |                                            |
|---------------------------------------|--------------------------------------------|-------------------------|---------------------------|-------------------------|--------------------------------------------|
|                                       | <b><u>Balance at<br/>June 30, 2024</u></b> | <b><u>Additions</u></b> | <b><u>Retirements</u></b> | <b><u>Transfers</u></b> | <b><u>Balance at<br/>June 30, 2025</u></b> |
| Land                                  | \$ 5,379,640                               | \$ -                    | \$ -                      | \$ -                    | \$ 5,379,640                               |
| Construction In Progress              | 10,753,690                                 | 1,861,394               | -                         | (2,196,999)             | 10,418,085                                 |
| Land Improvements                     | 5,803,652                                  | 118,377                 | -                         | -                       | 5,922,029                                  |
| Accumulated Depreciation              | (3,363,319)                                | (299,420)               | -                         | -                       | (3,662,739)                                |
| Buildings/Construction                | 36,444,116                                 | 424,855                 | -                         | 2,196,999               | 39,065,970                                 |
| Accumulated Depreciation              | (22,029,604)                               | (783,050)               | -                         | -                       | (22,812,654)                               |
| Machinery and Equipment               | 6,012,035                                  | 88,012                  | (45,550)                  | -                       | 6,145,597                                  |
| Accumulated Depreciation              | (4,604,626)                                | (407,475)               | 45,550                    | -                       | (5,057,651)                                |
| Total                                 | <u>\$ 34,395,584</u>                       | <u>\$ 1,002,693</u>     | <u>\$ -</u>               | <u>\$ -</u>             | <u>\$ 35,398,277</u>                       |

| <b><u>Business Type Activities</u></b> |                                            |                         |                           |                         |                                            |
|----------------------------------------|--------------------------------------------|-------------------------|---------------------------|-------------------------|--------------------------------------------|
|                                        | <b><u>Balance at<br/>June 30, 2024</u></b> | <b><u>Additions</u></b> | <b><u>Retirements</u></b> | <b><u>Transfers</u></b> | <b><u>Balance at<br/>June 30, 2025</u></b> |
| Machinery and Equipment                | \$ 200,072                                 | \$ -                    | \$ -                      | \$ -                    | \$ 200,072                                 |
| Accumulated Depreciation               | (155,156)                                  | (6,652)                 | -                         | -                       | (161,808)                                  |
| Total                                  | <u>\$ 44,916</u>                           | <u>\$ (6,652)</u>       | <u>\$ -</u>               | <u>\$ -</u>             | <u>\$ 38,264</u>                           |

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration and Other Obligations**

The District has 16 years remaining on MCIA Bonds with an unpaid principal balance of \$17,280,000. The district has a compensated absence liability of \$131,443. Current year activity is summarized below:

|                       | <b><u>Balance at<br/>June 30, 2024</u></b> | <b><u>Increased</u></b> | <b><u>Decreased</u></b> | <b><u>Balance at<br/>June 30, 2025</u></b> |
|-----------------------|--------------------------------------------|-------------------------|-------------------------|--------------------------------------------|
| MCIA Bonds Payable    | \$ 17,280,000                              | \$ -                    | \$ 800,000              | \$ 16,480,000                              |
| Compensated Absences* | 4,846,949                                  | 144,833                 | -                       | 4,991,782                                  |
| Totals                | <u>\$ 22,126,949</u>                       | <u>\$ 144,833</u>       | <u>\$ 800,000</u>       | <u>\$ 21,471,782</u>                       |

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

*\*Long-Term Liabilities, specifically compensated absences, were restated in accordance with GASB 101. See Note 20.*

## **Economic Factors and Subsequent Year's Budgets**

- The Red Bank Regional High School District is in very good financial condition presently earning an AA bond rating from Standard and Poor's in August 2013. A major concern is the funding mechanism for state aid to education that causes an increased reliance on local property taxes. The Red Bank Regional constituent towns (Little Silver, Red Bank and Shrewsbury) are primarily residential communities, with comparatively few commercial ratables; thus the burden is focused on homeowners to foot the tax burden.
- The Board of Education and Administration annually conduct a review of cost centers in the District to determine where costs savings may be effectuated. Additionally, the District continues to add to the number of shared services agreements with other local school districts and municipalities that will result in cost savings to the residents of the District.
- The Board and administration remain extremely sensitive to the financial concerns of the taxpayers, particularly those on fixed incomes, and will be diligently searching for alternate sources of revenue and cost reductions. Consistent with this concern, the District utilizes a five-year budget model that assesses the tactical and strategic impact that legislative changes and operational efficiencies place upon the District's future year budgets.
- In general, the Red Bank Regional Board of Education has consistently committed itself to sound, conservative fiscal management, providing the most efficient and effective education possible given the demands and challenges associated with the need to improve students' academic performances, and there is no reason to believe that this commitment will not continue as the District moves forward.

## **Requests for Information**

The financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions on this report or need additional financial information, please contact School Business Administrator/Board Secretary at Red Bank Regional Board of Education, 101 Ridge Road, Little Silver, NJ 07739.

## **BASIC FINANCIAL STATEMENTS**

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## A. Government-Wide Financial Statements

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

|                                        | <b>GOVERNMENTAL<br/>ACTIVITIES</b> | <b>BUSINESS-TYPE<br/>ACTIVITIES</b> | <b>TOTAL</b>  |
|----------------------------------------|------------------------------------|-------------------------------------|---------------|
| <b>ASSETS:</b>                         |                                    |                                     |               |
| Cash & Cash Equivalents                | \$ 10,400,113                      | \$ 107,179                          | \$ 10,507,292 |
| Receivables, Net (Note 4)              | 1,194,613                          | 39,464                              | 1,234,077     |
| Inventory                              | -                                  | 10,948                              | 10,948        |
| Restricted Cash & Cash Equivalents     | 9,607,060                          | -                                   | 9,607,060     |
| Capital Assets, Net (Note 5)           |                                    |                                     |               |
| Non-Depreciable                        | 15,797,725                         | -                                   | 15,797,725    |
| Depreciable                            | 19,600,552                         | 38,264                              | 19,638,816    |
| Total Assets                           | 56,600,063                         | 195,855                             | 56,795,918    |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b> |                                    |                                     |               |
| Related to Pensions (Note 8)           | 520,507                            | -                                   | 520,507       |
| Total Deferred Outflow of Resources    | 520,507                            | -                                   | 520,507       |
| <b>LIABILITIES:</b>                    |                                    |                                     |               |
| Due to Other Governments               | 398,657                            | -                                   | 398,657       |
| Unearned Revenue                       | 95,855                             | 2,454                               | 98,309        |
| Accrued Interest                       | 274,667                            | -                                   | 274,667       |
| Payroll Deductions and Withholdings    | 352,740                            | -                                   | 352,740       |
| Unemployment Trust Liability           | 1,646                              | -                                   | 1,646         |
| Noncurrent Liabilities (Note 7):       |                                    |                                     |               |
| Due Within One Year                    | 846,973                            | -                                   | 846,973       |
| Due in More Than One Year              | 24,577,236                         | -                                   | 24,577,236    |
| Total Liabilities                      | 26,547,774                         | 2,454                               | 26,550,228    |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>  |                                    |                                     |               |
| Related to Pensions (Note 8)           | 984,654                            | -                                   | 984,654       |
| Total Deferred Inflow of Resources     | 984,654                            | -                                   | 984,654       |
| <b>NET POSITION:</b>                   |                                    |                                     |               |
| Net Investment in Capital Assets       | 18,918,277                         | 38,264                              | 18,956,541    |
| Restricted for:                        |                                    |                                     |               |
| Capital Projects                       | 10,816,077                         | -                                   | 10,816,077    |
| Maintenance Reserve                    | 1,578,148                          | -                                   | 1,578,148     |
| Unemployment Compensation              | 109,808                            | -                                   | 109,808       |
| Scholarships                           | 3,283,423                          | -                                   | 3,283,423     |
| Student Activities                     | 181,336                            | -                                   | 181,336       |
| Excess Surplus                         | 145,236                            | -                                   | 145,236       |
| Unrestricted (Deficit)                 | (5,444,163)                        | 155,137                             | (5,289,026)   |
| Total Net Position                     | \$ 29,588,142                      | \$ 193,401                          | \$ 29,781,543 |

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2025**

| <u><b>FUNCTIONS/PROGRAMS</b></u>                   | <u><b>PROGRAM REVENUES</b></u> |                                    |                                                    | <u><b>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</b></u> |                                        |                     |
|----------------------------------------------------|--------------------------------|------------------------------------|----------------------------------------------------|-----------------------------------------------------------------|----------------------------------------|---------------------|
|                                                    | <u><b>EXPENSES</b></u>         | <u><b>CHARGES FOR SERVICES</b></u> | <u><b>OPERATING GRANTS &amp; CONTRIBUTIONS</b></u> | <u><b>GOVERNMENTAL ACTIVITIES</b></u>                           | <u><b>BUSINESS-TYPE ACTIVITIES</b></u> | <u><b>TOTAL</b></u> |
| Governmental Activities:                           |                                |                                    |                                                    |                                                                 |                                        |                     |
| Instruction:                                       |                                |                                    |                                                    |                                                                 |                                        |                     |
| Regular Instruction                                | \$ 19,334,917                  | \$ 3,100,599                       | \$ 6,937,150                                       | \$ (9,297,168)                                                  | \$ -                                   | \$ (9,297,168)      |
| Special Education Instruction                      | 2,956,982                      | -                                  | 915,330                                            | (2,041,653)                                                     | -                                      | (2,041,653)         |
| Other Instruction                                  | 2,637,647                      | -                                  | 816,480                                            | (1,821,167)                                                     | -                                      | (1,821,167)         |
| Support Services:                                  |                                |                                    |                                                    |                                                                 |                                        |                     |
| Tuition                                            | 3,121,624                      | -                                  | 171,529                                            | (2,950,095)                                                     | -                                      | (2,950,095)         |
| Student & Instruction Related Services             | 5,419,926                      | -                                  | 867,879                                            | (4,552,047)                                                     | -                                      | (4,552,047)         |
| General Administrative                             | 808,870                        | -                                  | 44,446                                             | (764,423)                                                       | -                                      | (764,423)           |
| School Administrative Services                     | 842,986                        | -                                  | 46,321                                             | (796,665)                                                       | -                                      | (796,665)           |
| Central Services                                   | 765,866                        | -                                  | 42,083                                             | (723,783)                                                       | -                                      | (723,783)           |
| Administrative Info. Technology                    | 349,664                        | -                                  | 19,214                                             | (330,450)                                                       | -                                      | (330,450)           |
| Plant Operations & Maintenance                     | 4,449,169                      | -                                  | 244,476                                            | (4,204,693)                                                     | -                                      | (4,204,693)         |
| Pupil Transportation                               | 2,960,919                      | 108,282                            | 170,162                                            | (2,682,475)                                                     | -                                      | (2,682,475)         |
| Interest & Other Charges                           | 700,930                        | -                                  | -                                                  | (700,930)                                                       | -                                      | (700,930)           |
| Total Governmental Activities                      | 44,349,499                     | 3,208,881                          | 10,275,070                                         | (30,865,548)                                                    | -                                      | (30,865,548)        |
| Business-Type Activities:                          |                                |                                    |                                                    |                                                                 |                                        |                     |
| Food Service                                       | 523,214                        | 265,689                            | 241,030                                            | -                                                               | (16,495)                               | (16,495)            |
| Total Business-Type Activities                     | 523,214                        | 265,689                            | 241,030                                            | -                                                               | (16,495)                               | (16,495)            |
| Total Primary Government                           | \$ 44,872,713                  | \$ 3,474,570                       | \$ 10,516,100                                      | \$ (30,865,548)                                                 | \$ (16,495)                            | \$ (30,882,043)     |
| General Revenues:                                  |                                |                                    |                                                    |                                                                 |                                        |                     |
| Taxes:                                             |                                |                                    |                                                    |                                                                 |                                        |                     |
| Property Taxes, Levied for General Purposes        |                                |                                    |                                                    | 27,472,836                                                      | -                                      | 27,472,836          |
| Property Taxes, Levied for Debt Service            |                                |                                    |                                                    | 1,149,120                                                       | -                                      | 1,149,120           |
| Federal & State Aid Restricted                     |                                |                                    |                                                    | 793,247                                                         | -                                      | 793,247             |
| Federal & State Aid Not Restricted                 |                                |                                    |                                                    | 2,764,142                                                       | -                                      | 2,764,142           |
| Miscellaneous                                      |                                |                                    |                                                    | 930,014                                                         | 5,037                                  | 935,051             |
| Total General Revenues                             |                                |                                    |                                                    | 33,109,359                                                      | 5,037                                  | 33,114,396          |
| Change In Net Position                             |                                |                                    |                                                    | 2,243,811                                                       | (11,458)                               | 2,232,353           |
| Net Position- Beginning, As Restated (See Note 20) |                                |                                    |                                                    | 27,344,331                                                      | 204,859                                | 27,549,190          |
| Net Position - Ending                              | \$                             | 29,588,142                         | \$                                                 | 193,401                                                         | \$                                     | 29,781,543          |

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

## B. Fund Financial Statements

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## **Governmental Funds**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2025**

|                                        | <b>MAJOR FUNDS</b>      |                                     |                                      |                                  |                                         |
|----------------------------------------|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|-----------------------------------------|
|                                        | <b>GENERAL<br/>FUND</b> | <b>SPECIAL<br/>REVENUE<br/>FUND</b> | <b>CAPITAL<br/>PROJECTS<br/>FUND</b> | <b>DEBT<br/>SERVICE<br/>FUND</b> | <b>TOTAL<br/>GOVERNMENTAL<br/>FUNDS</b> |
| <b>ASSETS</b>                          |                         |                                     |                                      |                                  |                                         |
| Cash & Cash Equivalents                | \$ 2,544,151            | \$ 3,305,362                        | \$ 4,550,600                         | \$ -                             | \$ 10,400,113                           |
| Receivables, Net:                      |                         |                                     |                                      |                                  |                                         |
| Due from Other Governments:            |                         |                                     |                                      |                                  |                                         |
| Federal                                | -                       | 178,003                             | -                                    | -                                | 178,003                                 |
| State                                  | 876,817                 | 1,170                               | 40,192                               | -                                | 918,179                                 |
| Other                                  | 85,537                  | -                                   | -                                    | -                                | 85,537                                  |
| Other Accounts Receivable              | 10,994                  | 1,900                               | -                                    | -                                | 12,894                                  |
| Restricted Cash & Cash Equivalents     | 9,607,060               | -                                   | -                                    | -                                | 9,607,060                               |
| Total Assets                           | <u>\$ 13,124,559</u>    | <u>\$ 3,486,435</u>                 | <u>\$ 4,590,792</u>                  | <u>\$ -</u>                      | <u>\$ 21,201,786</u>                    |
| <b>LIABILITIES &amp; FUND BALANCES</b> |                         |                                     |                                      |                                  |                                         |
| Liabilities:                           |                         |                                     |                                      |                                  |                                         |
| Intergovernmental Payable:             |                         |                                     |                                      |                                  |                                         |
| State                                  | \$ -                    | \$ 1,900                            | \$ -                                 | \$ -                             | \$ 1,900                                |
| Unearned Revenue                       | 76,079                  | 19,776                              | -                                    | -                                | 95,855                                  |
| Unemployment Trust Liability           | 1,646                   | -                                   | -                                    | -                                | 1,646                                   |
| Payroll Deductions and Withholdings    | 352,740                 | -                                   | -                                    | -                                | 352,740                                 |
| Total Liabilities                      | <u>430,465</u>          | <u>21,676</u>                       | <u>-</u>                             | <u>-</u>                         | <u>452,141</u>                          |
| Fund Balances:                         |                         |                                     |                                      |                                  |                                         |
| Restricted for:                        |                         |                                     |                                      |                                  |                                         |
| Capital Reserve                        | 8,028,912               | -                                   | -                                    | -                                | 8,028,912                               |
| Maintenance Reserve                    | 1,578,148               | -                                   | -                                    | -                                | 1,578,148                               |
| Excess Surplus                         | 145,236                 | -                                   | -                                    | -                                | 145,236                                 |
| Reserve for Unemployment Claims        | 109,808                 | -                                   | -                                    | -                                | 109,808                                 |
| Capital Projects                       | -                       | -                                   | 2,787,165                            | -                                | 2,787,165                               |
| Scholarships                           | -                       | 3,283,423                           | -                                    | -                                | 3,283,423                               |
| Student Activities                     | -                       | 181,336                             | -                                    | -                                | 181,336                                 |
| Committed to:                          |                         |                                     |                                      |                                  |                                         |
| Other Purposes                         | -                       | -                                   | 1,803,627                            | -                                | 1,803,627                               |
| Assigned to:                           |                         |                                     |                                      |                                  |                                         |
| Designated for                         |                         |                                     |                                      |                                  |                                         |
| Subsequent Year                        | 747,121                 | -                                   | -                                    | -                                | 747,121                                 |
| Other Purposes                         | 993,845                 | -                                   | -                                    | -                                | 993,845                                 |
| Unassigned                             | 1,091,024               | -                                   | -                                    | -                                | 1,091,024                               |
| Total Fund Balances                    | <u>12,694,094</u>       | <u>3,464,759</u>                    | <u>4,590,792</u>                     | <u>-</u>                         | <u>20,749,645</u>                       |
| Total Liabilities & Fund Balances      | <u>\$ 13,124,559</u>    | <u>\$ 3,486,435</u>                 | <u>\$ 4,590,792</u>                  | <u>\$ -</u>                      |                                         |

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

|                                                                                                                                                                                                                                                               |                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets are \$66,840,221 and the accumulated depreciation is \$31,441,944.                                             | 35,398,277           |
| Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.                                                      |                      |
| Deferred Outflows Related to Pensions                                                                                                                                                                                                                         | 520,507              |
| Deferred Inflows Related to Pensions                                                                                                                                                                                                                          | (984,654)            |
| Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.                                                                                                                    | (274,667)            |
| Accrued pension contributions for the June 30, 2025 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. | (396,757)            |
| Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.                                                                           | (25,424,209)         |
| Net Position of Governmental Activities                                                                                                                                                                                                                       | <u>\$ 29,588,142</u> |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2025**

|                                                          | MAJOR FUNDS     |                            |                             |                         | TOTAL                 |
|----------------------------------------------------------|-----------------|----------------------------|-----------------------------|-------------------------|-----------------------|
|                                                          | GENERAL<br>FUND | SPECIAL<br>REVENUE<br>FUND | CAPITAL<br>PROJECTS<br>FUND | DEBT<br>SERVICE<br>FUND | GOVERNMENTAL<br>FUNDS |
| Revenues:                                                |                 |                            |                             |                         |                       |
| Local Sources:                                           |                 |                            |                             |                         |                       |
| Local Tax Levy                                           | \$ 27,472,836   | \$ -                       | \$ -                        | \$ 1,149,120            | \$ 28,621,956         |
| Tuition Charges                                          | 3,100,599       | -                          | -                           | -                       | 3,100,599             |
| Transportation Charges                                   | 108,282         | -                          | -                           | -                       | 108,282               |
| Miscellaneous                                            | 501,272         | 453,421                    | -                           | -                       | 954,693               |
| Total Local Sources                                      | 31,182,989      | 453,421                    | -                           | 1,149,120               | 32,785,530            |
| State Sources                                            | 9,468,716       | 823,411                    | 40,192                      | 326,080                 | 10,658,399            |
| Federal Sources                                          | 11,525          | 1,101,000                  | -                           | -                       | 1,112,525             |
| Total Revenues                                           | 40,663,230      | 2,377,832                  | 40,192                      | 1,475,200               | 44,556,454            |
| Expenditures:                                            |                 |                            |                             |                         |                       |
| Instruction:                                             |                 |                            |                             |                         |                       |
| Regular Instruction                                      | 9,960,934       | 952,054                    | -                           | -                       | 10,912,988            |
| Special Education Instruction                            | 1,668,976       | -                          | -                           | -                       | 1,668,976             |
| Other Instruction                                        | 1,488,737       | -                          | -                           | -                       | 1,488,737             |
| Support Services:                                        |                 |                            |                             |                         |                       |
| Tuition                                                  | 2,411,594       | -                          | -                           | -                       | 2,411,594             |
| Attendance & Social Work Services                        | 377,910         | -                          | -                           | -                       | 377,910               |
| Health Services                                          | 248,146         | -                          | -                           | -                       | 248,146               |
| Student & Instruction Related Services                   | 2,627,852       | 933,227                    | -                           | -                       | 3,561,079             |
| General Administrative                                   | 624,888         | -                          | -                           | -                       | 624,888               |
| School Administrative Services                           | 651,244         | -                          | -                           | -                       | 651,244               |
| Central Services                                         | 591,666         | -                          | -                           | -                       | 591,666               |
| Administrative Information Technology                    | 270,131         | -                          | -                           | -                       | 270,131               |
| Plant Operations & Maintenance                           | 3,437,182       | -                          | -                           | -                       | 3,437,182             |
| Pupil Transportation                                     | 2,392,368       | -                          | -                           | -                       | 2,392,368             |
| Unallocated Benefits                                     | 5,143,541       | -                          | -                           | -                       | 5,143,541             |
| On Behalf TPAF Pension and Social Security Contributions | 6,716,099       | -                          | -                           | -                       | 6,716,099             |
| Capital Outlay                                           | 65,595          | 426,975                    | 2,000,068                   | -                       | 2,492,638             |
| Debt Service:                                            |                 |                            |                             |                         |                       |
| Principal                                                | -               | -                          | -                           | 800,000                 | 800,000               |
| Interest & Other Charges                                 | 39,063          | -                          | -                           | 675,200                 | 714,263               |
| Total Expenditures                                       | 38,715,926      | 2,312,256                  | 2,000,068                   | 1,475,200               | 44,503,450            |
| Excess/(Deficiency) of Revenues Over Expenditures        | 1,947,304       | 65,576                     | (1,959,876)                 | -                       | 53,004                |
| Other Financing Sources (Uses):                          |                 |                            |                             |                         |                       |
| Transfers In                                             | 854,771         | -                          | 2,839,200                   | -                       | 3,693,971             |
| Transfers Out                                            | (2,839,200)     | -                          | (854,771)                   | -                       | (3,693,971)           |
| Total Other Financing Sources (Uses)                     | (1,984,429)     | -                          | 1,984,429                   | -                       | -                     |
| Net Changes in Fund Balances                             | (37,125)        | 65,576                     | 24,553                      | -                       | 53,004                |
| Fund Balance, July 1                                     | 12,731,219      | 3,399,183                  | 4,566,239                   | -                       | 20,696,641            |
| Fund Balance, June 30                                    | \$ 12,694,094   | \$ 3,464,759               | \$ 4,590,792                | \$ -                    | \$ 20,749,645         |

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Total Net Changes in Fund Balances - Governmental Funds (B-2)                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$ 53,004                  |
| Amounts reported for governmental activities in the statement of activities (A-2) are different because:                                                                                                                                                                                                                                                                                                                                                                                              |                            |
| Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.                                                                                                                                                                                                        |                            |
| Depreciation Expense                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$ (1,489,945)             |
| Capital Outlays                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>2,492,638</u>           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,002,693                  |
| Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.                                                                                                                                                                          | 519,614                    |
| Repayment of long-term debt 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.                                                                                                                                                                                                                                                                               | 800,000                    |
| 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. The accrued interest is an addition in the reconciliation (+).                                                                                                                                                                                                                                                | 13,333                     |
| 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 (+). | <u>(144,833)</u>           |
| Change in Net Position of Governmental Activities                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <u><u>\$ 2,243,811</u></u> |

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## **Proprietary Funds**

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**EXHIBIT B-4**

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2025**

|                                  | <b>MAJOR FUNDS</b><br><b>BUSINESS-TYPE</b><br><b>ACTIVITIES -</b><br><b>ENTERPRISE</b><br><b>FUNDS</b><br><b>FOOD</b><br><b>SERVICE</b> |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>ASSETS</b>                    |                                                                                                                                         |
| Current Assets:                  |                                                                                                                                         |
| Cash & Cash Equivalents          | \$ 107,179                                                                                                                              |
| Accounts Receivable:             |                                                                                                                                         |
| Federal                          | 31,035                                                                                                                                  |
| State                            | 1,131                                                                                                                                   |
| Other Receivables                | 7,298                                                                                                                                   |
| Inventories                      | 10,948                                                                                                                                  |
| Total Current Assets             | 157,591                                                                                                                                 |
| Noncurrent Assets:               |                                                                                                                                         |
| Capital Assets                   | 200,072                                                                                                                                 |
| Less: Accumulated Depreciation   | (161,808)                                                                                                                               |
| Total Capital Assets, Net        | 38,264                                                                                                                                  |
| Total Noncurrent Assets          | 38,264                                                                                                                                  |
| Total Assets                     | 195,855                                                                                                                                 |
| <b>LIABILITIES</b>               |                                                                                                                                         |
| Current Liabilities:             |                                                                                                                                         |
| Unearned Revenue                 | 2,454                                                                                                                                   |
| Total Current Liabilities        | 2,454                                                                                                                                   |
| <b>NET POSITION</b>              |                                                                                                                                         |
| Net Investment in Capital Assets | 38,264                                                                                                                                  |
| Unrestricted                     | 155,137                                                                                                                                 |
| Total Net Position               | \$ 193,401                                                                                                                              |

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

**EXHIBIT B-5**

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 YEAR ENDED JUNE 30, 2025**

|                                                         | <b>MAJOR FUNDS</b> |
|---------------------------------------------------------|--------------------|
|                                                         | <b>ENTERPRISE</b>  |
|                                                         | <b>FUNDS</b>       |
|                                                         | <b>FOOD</b>        |
|                                                         | <b>SERVICE</b>     |
| Operating Revenues:                                     |                    |
| Charges for Services:                                   |                    |
| Daily Sales - Reimbursable Programs                     | \$ 171,561         |
| Daily Sales - Non-Reimbursable Programs                 | 65,786             |
| Special Functions                                       | 2,519              |
| Satellite Sales                                         | 25,823             |
|                                                         | <hr/>              |
| Total Operating Revenues                                | 265,689            |
|                                                         | <hr/>              |
| Operating Expenses:                                     |                    |
| Cost of Sales - Reimbursable Programs                   | 150,515            |
| Cost of Sales - Non-Reimbursable Programs               | 89,553             |
| Salaries                                                | 56,090             |
| FICA                                                    | 4,290              |
| Repairs                                                 | 2,722              |
| Depreciation                                            | 6,652              |
| Purchased Technical Services                            | 175,847            |
| Management and Administrative Fees                      | 37,545             |
|                                                         | <hr/>              |
| Total Operating Expenses                                | 523,214            |
|                                                         | <hr/>              |
| Operating Income/(Loss)                                 | (257,525)          |
|                                                         | <hr/>              |
| Nonoperating Revenues (Expenses):                       |                    |
| State Sources:                                          |                    |
| State School Lunch Program                              | 6,865              |
| State School Breakfast Program                          | 584                |
| Summer EBT Administrative Costs Grant (State Portion)   | 321                |
| Federal Sources:                                        |                    |
| National School Lunch Program                           | 169,302            |
| National School Breakfast Program                       | 28,403             |
| Food Distribution Program                               | 35,233             |
| Summer EBT Administrative Costs Grant (Federal Portion) | 322                |
| Interest Revenue                                        | 5,037              |
|                                                         | <hr/>              |
| Total Nonoperating Revenues/(Expenses)                  | 246,067            |
|                                                         | <hr/>              |
| Change in Net Position                                  | (11,458)           |
| Total Net Position - Beginning                          | 204,859            |
|                                                         | <hr/>              |
| Total Net Position - Ending                             | \$ 193,401         |
|                                                         | <hr/> <hr/>        |

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2025**

|                                                                                                           | <b>MAJOR FUNDS</b>   |
|-----------------------------------------------------------------------------------------------------------|----------------------|
|                                                                                                           | <b>BUSINESS-TYPE</b> |
|                                                                                                           | <b>ACTIVITIES -</b>  |
|                                                                                                           | <b>ENTERPRISE</b>    |
|                                                                                                           | <b>FUNDS</b>         |
|                                                                                                           | <b>FOOD</b>          |
|                                                                                                           | <b>SERVICE</b>       |
| Cash Flows From Operating Activities:                                                                     |                      |
| Receipts from Customers                                                                                   | \$ 238,314           |
| Payments to Employees                                                                                     | (56,090)             |
| Payments to Suppliers                                                                                     | (460,648)            |
| Net Cash Provided by/(Used for) Operating Activities                                                      | (278,424)            |
| Cash Flows From Noncapital Financing Activities:                                                          |                      |
| State Sources                                                                                             | 7,770                |
| Federal Sources                                                                                           | 198,027              |
| Receipts from Commodities*                                                                                | 35,233               |
| Net Cash Provided by/(Used for) Noncapital Financing Activities                                           | 241,030              |
| Cash Flows From Investing Activities:                                                                     |                      |
| Interest                                                                                                  | 5,037                |
| Net Cash Provided by/(Used for) Investing Activities                                                      | 5,037                |
| Net Increase/(Decrease) in Cash & Cash Equivalents                                                        | (32,357)             |
| Balances - Beginning of Year                                                                              | 139,536              |
| Balances - End of Year                                                                                    | \$ 107,179           |
| <b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b> |                      |
| Operating Income/(Loss)                                                                                   | \$ (257,525)         |
| Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities: |                      |
| Depreciation                                                                                              | 6,652                |
| (Increase)/Decrease in Accounts Receivable, Net                                                           | (27,889)             |
| (Increase)/Decrease in Inventories                                                                        | (176)                |
| Increase/(Decrease) in Unearned Revenue                                                                   | 514                  |
| Total Adjustments                                                                                         | (20,899)             |
| Net Cash Provided/(Used) by Operating Activities                                                          | \$ (278,424)         |

\*Denoted as a non-cash activity resulting from donated commodities.

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

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**Fiduciary Fund**  
*Not Applicable*

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

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

**Reporting Entity**

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational, as well as special education. The School District has an approximate enrollment at June 30, 2025 of 1,264 students.

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

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

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

**Component Units**

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14 and GASB Statement No. 97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84. The School District had no component units as of for the year ended June 30, 2025.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**A. Government-Wide Financial Statements**

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

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

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

**B. Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**B. Governmental Fund Financial Statements (Continued)**

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under finance purchases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**B. Governmental Fund Financial Statements (Continued)**

The School District reports the following major governmental funds:

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

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

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

**Special Revenue Fund** - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are 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 expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, finance purchases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

**C. Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**C. Proprietary Fund Financial Statements (Continued)**

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

The School District reports the following major proprietary funds:

**Food Service Fund** – The food service fund accounts for the financial transactions related to the food service operations of the School District.

**Budgets/Budgetary Control**

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and 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. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Encumbrances**

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

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

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

**Cash, Cash Equivalents and Investments**

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

*N.J.S.A.17:9-41* et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Tuition Receivable/Payable**

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

**Inventories**

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

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

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

| Description               | Governmental<br>Activities | Business-Type<br>Activities |
|---------------------------|----------------------------|-----------------------------|
|                           | Estimated Lives            | Estimated Lives             |
| Land Improvements         | 10-20 Years                | N/A                         |
| Building and improvements | 10-50 Years                | N/A                         |
| Furniture and Equipment   | 5-20 Years                 | 5-12 Years                  |
| Vehicles                  | 5-10 Years                 | 4-6 Years                   |

**Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. In accordance with GASB Statement No. 101, Compensated Absences, liabilities for compensated absences are recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

**Interfund Activity**

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

**Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**Deferred Loss on Refunding Debt**

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

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Pensions**

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

**Pension & Other Post Employment Benefits Section**

For purposes of measuring the net pension and other post-employment benefits liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and other post-employment benefits, and pension and other post-employment benefits expenses, information about the fiduciary net position of the Public Employees' Retirement System (PERS), the Teacher's Pension and Annuity Fund (TPAF), the Other Post-Employment Benefits (OPEB) and additions to/deductions from the PERS's, TPAF's and OPEB's fiduciary net position have been determined on the same basis as they are reported by the plan. For these purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Fund Balance**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

**Non-spendable** – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fund Balance (Continued)**

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

**Net Position**

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

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

Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2025 and December 15, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Impact of Recently Issued Accounting Principles**

**Adopted Accounting Pronouncements**

The following GASB Statements became effective for the fiscal year ended June 30, 2025:

Statement No. 101, Compensated Absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in a prior period adjustment and additional footnote disclosures on the School District's financial statements. See Note 14 and Note 20 for further detail.

Statement No. 102, Certain Risk Disclosures. Management has determined the implementation of this statements did not have a significant impact on the District's financial statements.

**Accounting Pronouncements Effective in Future Reporting Periods**

Statement No. 103, Financial Reporting Model Improvements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Statement No. 104, *Disclosure of Certain Capital Assets* . The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Management has not yet determined the potential impact these Statements will have on the District's financial statements.

**Note 2. Deposits and Investments**

**Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2025, the School District's bank balance of \$21,344,409 was exposed to custodial credit risk as follows:

|                                |                      |
|--------------------------------|----------------------|
| Insured under FDIC and GUDPA   | \$ 17,355,621        |
| Uninsured and Uncollateralized | 3,988,788            |
| Total                          | <u>\$ 21,344,409</u> |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 3. Reserve Accounts**

Capital Reserve

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

|                                 |                            |
|---------------------------------|----------------------------|
| Beginning Balance, July 1, 2024 | \$ 8,399,808               |
| Increased by:                   |                            |
| Interest Earnings               | 146,533                    |
| Return of Capital Project Funds | 854,771                    |
| Deposits Approved by Board      | 1,467,000                  |
|                                 | <u>10,868,112</u>          |
| Decreased by:                   |                            |
| Budget Withdrawals              | (2,839,200)                |
| Ending Balance, June 30, 2025   | <u><u>\$ 8,028,912</u></u> |

Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

|                                 |                            |
|---------------------------------|----------------------------|
| Beginning Balance, July 1, 2024 | \$ 1,578,148               |
| Increased by:                   |                            |
| Interest Earnings               | 49,269                     |
| Deposits Approved by Board      | 450,731                    |
|                                 | <u>2,078,148</u>           |
| Decreased by:                   |                            |
| Budget Withdrawals              | (500,000)                  |
| Ending Balance, June 30, 2025   | <u><u>\$ 1,578,148</u></u> |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 3. Reserve Accounts (Continued)**

Unemployment Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

The activity of the unemployment claim reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

|                                 |                          |
|---------------------------------|--------------------------|
| Beginning Balance, July 1, 2024 | \$ 107,187               |
| Increased by:                   |                          |
| Interest Earnings               | <u>2,621</u>             |
| Ending Balance, June 30, 2025   | <u><u>\$ 109,808</u></u> |

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2025 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2025, consisted of the following:

|                    | Governmental Funds |                   |                  |                     |
|--------------------|--------------------|-------------------|------------------|---------------------|
|                    | General            | Special           | Capital          | Total               |
| <u>Description</u> | <u>Fund</u>        | <u>Revenue</u>    | <u>Projects</u>  | <u>Governmental</u> |
|                    |                    | <u>Fund</u>       | <u>Fund</u>      | <u>Activities</u>   |
| Federal Awards     | \$ -               | \$ 178,003        | \$ -             | \$ 178,003          |
| State Awards       | 876,817            | 1,170             | 40,192           | 918,179             |
| Tuition            | 85,537             | -                 | -                | 85,537              |
| Other              | 10,994             | 1,900             | -                | 12,894              |
| Total              | <u>\$ 973,348</u>  | <u>\$ 181,073</u> | <u>\$ 40,192</u> | <u>\$ 1,194,613</u> |

|                    | Proprietary Funds | Total             |
|--------------------|-------------------|-------------------|
|                    | Food Service      | Business-Type     |
| <u>Description</u> | <u>Fund</u>       | <u>Activities</u> |
| Federal Awards     | \$ 31,035         | \$ 31,035         |
| State Awards       | 1,131             | 1,131             |
| Other              | 7,298             | 7,298             |
| Total              | <u>\$ 39,464</u>  | <u>\$ 39,464</u>  |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2025 was as follows:

|                                                    | Governmental Activities    |              |                              |                             |
|----------------------------------------------------|----------------------------|--------------|------------------------------|-----------------------------|
|                                                    | Balance<br>July 1,<br>2024 | Additions    | Retirements<br>and Transfers | Balance<br>June 30,<br>2025 |
| <b>Governmental Activities:</b>                    |                            |              |                              |                             |
| Capital assets not being depreciated:              |                            |              |                              |                             |
| Land                                               | \$ 5,379,640               | \$ -         | \$ -                         | \$ 5,379,640                |
| Construction in Progress                           | 10,753,690                 | 1,861,394    | (2,196,999)                  | 10,418,085                  |
| Total Capital Assets not being depreciated         | 16,133,330                 | 1,861,394    | (2,196,999)                  | 15,797,725                  |
| Capital Assets being depreciated:                  |                            |              |                              |                             |
| Site Improvements                                  | 5,803,652                  | 118,377      | -                            | 5,922,029                   |
| Buildings and Improvements                         | 36,444,116                 | 424,855      | 2,196,999                    | 39,065,970                  |
| Equipment                                          | 6,012,035                  | 88,012       | (45,550)                     | 6,054,497                   |
| Total Capital Assets being depreciated             | 48,259,803                 | 631,244      | 2,151,449                    | 51,042,496                  |
| Less: Accumulated Depreciation:                    |                            |              |                              |                             |
| Site Improvements                                  | (3,363,319)                | (299,420)    | -                            | (3,662,739)                 |
| Buildings and Improvements                         | (22,029,604)               | (783,050)    | -                            | (22,812,654)                |
| Equipment                                          | (4,604,626)                | (407,475)    | 45,550                       | (4,966,551)                 |
| Total Accumulated Depreciation                     | (29,997,549)               | (1,489,945)  | 45,550                       | (31,441,944)                |
| Total Capital Assets being depreciated, net        | 18,262,254                 | (858,701)    | 2,196,999                    | 19,600,552                  |
| Total Governmental Activities Capital Assets, net  | \$ 34,395,584              | \$ 1,002,693 | \$ -                         | \$ 35,398,277               |
|                                                    |                            |              |                              |                             |
|                                                    | Business-Type Activities   |              |                              |                             |
|                                                    | Balance<br>July 1,<br>2024 | Additions    | Retirements<br>and Transfers | Balance<br>June 30,<br>2025 |
| <b>Business-Type Activities:</b>                   |                            |              |                              |                             |
| Equipment                                          | \$ 200,072                 | \$ -         | \$ -                         | \$ 200,072                  |
| Total Capital Assets being depreciated             | 200,072                    | -            | -                            | 200,072                     |
| Less: Accumulated Depreciation:                    |                            |              |                              |                             |
| Equipment                                          | (155,156)                  | (6,652)      | -                            | (161,808)                   |
| Total Capital Assets being depreciated, net        | (155,156)                  | (6,652)      | -                            | (161,808)                   |
| Total Business-Type Activities Capital Assets, net | \$ 44,916                  | \$ (6,652)   | \$ -                         | \$ 38,264                   |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 5. Capital Assets (Continued)**

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

Governmental Activities

Instruction:

|                               |            |
|-------------------------------|------------|
| Regular Instruction           | \$ 619,548 |
| Special Education Instruction | 94,750     |
| Other Instruction             | 84,518     |

Support Services:

|                                        |         |
|----------------------------------------|---------|
| Tuition                                | 136,910 |
| Student & Instruction Related Services | 237,711 |
| General Administrative                 | 35,476  |
| School Administrative Services         | 36,972  |
| Central Services                       | 33,590  |
| Administrative Info. Technology        | 15,336  |
| Plant Operations & Maintenance         | 195,134 |

|                                                      |    |           |
|------------------------------------------------------|----|-----------|
| Total Depreciation Expense - Governmental Activities | \$ | 1,489,945 |
|------------------------------------------------------|----|-----------|

**Note 6. Interfund Receivables, Payables and Transfers**

There were no interfund receivables and payables that exist as of June 30, 2025.

There was interfund transfers for the year ended June 30, 2025. A summary of interfund transfers are as follows:

| <u>Fund</u>      | <u>Transfer In</u>  | <u>Transfer Out</u> |
|------------------|---------------------|---------------------|
| General Fund     | \$ 859,771          | \$ 2,839,200        |
| Capital Projects | 2,839,200           | 859,771             |
|                  | <u>\$ 3,698,971</u> | <u>\$ 3,698,971</u> |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2025 the following changes occurred in long-term obligations for the governmental and business-type activities:

|                                             | Balance<br>June 30, 2024 | Additions           | Reductions          | Balance<br>June 30, 2025 | Balance<br>Due Within<br>One Year |
|---------------------------------------------|--------------------------|---------------------|---------------------|--------------------------|-----------------------------------|
| Governmental Activities:                    |                          |                     |                     |                          |                                   |
| General Obligation Bonds                    | \$ 17,280,000            | \$ -                | \$ 800,000          | \$ 16,480,000            | \$ 835,000                        |
| Compensated Absences (As Restated, Note 20) | 4,846,949                | 433,165             | 288,332             | 4,991,782                | 11,973                            |
| Net Pension Liability                       | 4,333,595                | 1,299,642           | 1,680,810           | 3,952,427                | -                                 |
|                                             | <u>\$ 26,460,544</u>     | <u>\$ 1,732,807</u> | <u>\$ 2,769,142</u> | <u>\$ 25,424,209</u>     | <u>\$ 846,973</u>                 |

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, General Obligation Bonds, and the net pension liability are liquidated by the general fund.

**Bonds Payable**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On July 23, 2019, the School District issued \$19,450,000 of Monmouth County Improvement Bonds. The Monmouth County Improvement Bonds were issued at varying rates of interest of 3.00% to 4.00% and mature on August 1, 2039.

| Fiscal Year Ending<br>June 30, | Principal            | Interest            | Total                |
|--------------------------------|----------------------|---------------------|----------------------|
| 2026                           | \$ 835,000           | \$ 642,500          | \$ 1,477,500         |
| 2027                           | 865,000              | 608,500             | 1,473,500            |
| 2028                           | 900,000              | 573,200             | 1,473,200            |
| 2029                           | 940,000              | 536,400             | 1,476,400            |
| 2030                           | 980,000              | 498,000             | 1,478,000            |
| 2031-2035                      | 5,520,000            | 1,857,400           | 7,377,400            |
| 2036-2040                      | 6,440,000            | 648,600             | 7,088,600            |
|                                | <u>\$ 16,480,000</u> | <u>\$ 5,364,600</u> | <u>\$ 21,844,600</u> |

**Bonds Authorized but not Issued**

As of June 30, 2025, the School District had no bonds authorized but not issued.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans**

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

**Plan Description** - The State of New Jersey (the State), Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

**Basis of Presentation** - The schedule of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS, its participating employers or the State of New Jersey (the State) as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS, its participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended June 30, 2025, the School District's contractually required contribution to the PERS plan was \$395,800.

**Components of Net Pension Liability** - At June 30, 2025, the School District reported a liability of \$3,952,427 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The School District's proportion measured as of June 30, 2024, was 0.0290875318%, which was a decrease of 0.0008315737% from its proportion measured as of June 30, 2023.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

**Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources** - For the year ended June 30, 2025, the School District's proportionate share of the PERS expense/(credit), calculated by the plan as of June 30, 2024 is (\$115,344). This expense/(credit) is recognized by the School District in the government-wide financial statements. At June 30, 2025 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

|                                                                                                                            | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between Expected<br>and Actual Experience                                                                      | \$ 79,174                                 | \$ 10,522                                |
| Changes of Assumptions                                                                                                     | 4,910                                     | 44,970                                   |
| Net Difference between Projected<br>and Actual Earnings on Pension<br>Plan Investments                                     | -                                         | 183,263                                  |
| Changes in Proportion and Differences<br>between School District Contributions<br>and Proportionate Share of Contributions | 39,666                                    | 745,899                                  |
| School District contributions subsequent<br>to measurement date                                                            | 396,757                                   | -                                        |
|                                                                                                                            | <u>\$ 520,507</u>                         | <u>\$ 984,654</u>                        |

\$396,757 is reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2024-2025 total salaries for PERS employees multiplied by an employer pension contribution rate of 16.36%. The payable is due on April 1, 2026 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending<br/>June 30,</b> |                     |
|---------------------------------|---------------------|
| 2026                            | \$ (309,057)        |
| 2027                            | (11,400)            |
| 2028                            | (215,951)           |
| 2029                            | (184,373)           |
| 2030                            | (140,123)           |
|                                 | <u>\$ (860,904)</u> |

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2025. At June 30, 2025, the State's proportionate share of the PERS expense, associated with the District, calculated by the plan as of the June 30, 2024 measurement date was \$12,743.

**Actuarial Assumptions** – The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations 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 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

| <u>Asset Class</u>                | <u>Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|-----------------------------------|------------------------------|-------------------------------------------------------|
| U.S. Equity                       | 28.00%                       | 8.63%                                                 |
| Non-U.S. Developed Markets Equity | 12.75%                       | 8.85%                                                 |
| International Small Cap Equity    | 1.25%                        | 8.85%                                                 |
| Emerging Markets Equity           | 5.50%                        | 10.66%                                                |
| Private Equity                    | 13.00%                       | 12.40%                                                |
| Real Estate                       | 8.00%                        | 10.95%                                                |
| Real Assets                       | 3.00%                        | 8.20%                                                 |
| High Yield                        | 4.50%                        | 6.74%                                                 |
| Private Credit                    | 8.00%                        | 8.90%                                                 |
| Investment Grade Credit           | 7.00%                        | 5.37%                                                 |
| Cash Equivalents                  | 2.00%                        | 3.57%                                                 |
| U.S. Treasuries                   | 4.00%                        | 3.57%                                                 |
| Risk Mitigation Strategies        | 3.00%                        | 7.10%                                                 |
|                                   | <u>100.00%</u>               |                                                       |

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 to determine the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2024, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

|                                                                       | <b>At 1%<br/>Decrease<br/>(6.00%)</b> | <b>At Current<br/>Discount Rate<br/>(7.00%)</b> | <b>At 1%<br/>Increase<br/>(8.00%)</b> |
|-----------------------------------------------------------------------|---------------------------------------|-------------------------------------------------|---------------------------------------|
| School District's Proportionate Share<br>of the Net Pension Liability | \$ 5,296,011                          | \$ 3,952,427                                    | \$ 2,870,627                          |

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2025 and 2024:

|                                           |            |            |
|-------------------------------------------|------------|------------|
| Collective Deferred Outflows of Resources | \$ 123,750 | \$ 176,542 |
| Collective Deferred Inflows of Resources  | 984,654    | 1,175,892  |
| Collective Net Pension Liability          | 3,952,427  | 4,333      |
| School District's portion                 | 0.02909%   | 0.02992%   |

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

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

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

The following represents the membership tiers for TPAF:

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

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

**Basis of Presentation** - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Contributions** - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

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

**Components of Net Pension Liability** - At June 30, 2025, the State's proportionate share of the TPAF net pension liability, attributable to the School District was \$52,374,597. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1059675952%, which was an increase of 0.0042982965% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized a pension expense/(credit) in the amount of \$(191,054) for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2024 measurement date.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

|                           |                           |
|---------------------------|---------------------------|
| Inflation Rate            |                           |
| Price                     | 2.75%                     |
| Wage                      | 3.25%                     |
| Salary Increases:         | 2.75-5.65%                |
|                           | Based of 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 on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) 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, 2024 are summarized in the following table:

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

| <u>Asset Class</u>                | <u>Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|-----------------------------------|------------------------------|-------------------------------------------------------|
| U.S. Equity                       | 28.00%                       | 8.63%                                                 |
| Non-U.S. Developed Markets Equity | 12.75%                       | 8.85%                                                 |
| International Small Cap Equity    | 1.25%                        | 8.85%                                                 |
| Emerging Markets Equity           | 5.50%                        | 10.66%                                                |
| Private Equity                    | 13.00%                       | 12.40%                                                |
| Real Estate                       | 8.00%                        | 10.95%                                                |
| Real Assets                       | 3.00%                        | 8.20%                                                 |
| High Yield                        | 4.50%                        | 6.74%                                                 |
| Private Credit                    | 8.00%                        | 8.90%                                                 |
| Investment Grade Credit           | 7.00%                        | 5.37%                                                 |
| Cash Equivalents                  | 2.00%                        | 3.57%                                                 |
| U.S. Treasuries                   | 4.00%                        | 3.57%                                                 |
| Risk Mitigation Strategies        | 3.00%                        | 7.10%                                                 |
|                                   | 100.00%                      |                                                       |

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

|                                                                                                              | <b>At 1%<br/>Decrease<br/>(6.00%)</b> | <b>At Current<br/>Discount Rate<br/>(7.00%)</b> | <b>At 1%<br/>Increase<br/>(8.00%)</b> |
|--------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------|---------------------------------------|
| State of New Jersey's Proportionate<br>Share of Net Pension Liability<br>associated with the School District | \$ 62,254,623                         | \$ 52,374,597                                   | \$ 44,053,747                         |

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

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2025 and 2024:

|                                           |                  |                  |
|-------------------------------------------|------------------|------------------|
| Collective Deferred Outflows of Resources | \$ 1,178,433,819 | \$ 2,502,380,838 |
| Collective Deferred Inflows of Resources  | 10,615,423,132   | 14,830,205,473   |
| Collective Net Pension Liability          | 49,492,072,325   | 51,109,961,824   |
| <br>School District's portion             | <br>0.10597%     | <br>0.10167%     |

**C. Defined Contribution Retirement Plan (DCRP)**

**Plan Description** - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 8. Pension Plans (Continued)**

**Contributions** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2025, the District had no contributions or expenses for DCRP.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

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

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

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

**Basis of Presentation**

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability of \$59,650,630,530 as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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% to 5.65%            | 2.75% to 6.55%            | 3.25% to 16.25%           |
|                  | based on years of service | based on years of service | based on years of service |

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

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

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

**OPEB Obligations and OPEB Expense** - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2024 was \$54,803,956. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2024, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the OPEB Obligation attributable to the School District was 0.0918749%, which was a decrease of (0.00017026%) from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized an OPEB expense in the amount of \$2,036,856 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2024 measurement date.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 19.36% in fiscal year 2027, and decreases to 4.50% in fiscal year 2034. For HMO, the trend rate is increasing to 22.88% in fiscal year 2027, and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine 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 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2024, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|                                                                                                                  | <b>June 30, 2024</b>              |                                     |                                   |
|------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
|                                                                                                                  | <b>At 1%<br/>Decrease (2.93%)</b> | <b>At Discount<br/>Rate (3.93%)</b> | <b>At 1%<br/>Increase (4.93%)</b> |
| State of New Jersey's<br>Proportionate Share of Total OPEB<br>Obligations Associated with<br>the School District | \$ 64,187,170                     | \$ 54,803,956                       | \$ 47,257,905                     |
| State of New Jersey's<br>Total Nonemployer OPEB<br>Liability                                                     | \$ 69,863,663,542                 | \$ 59,650,630,530                   | \$ 51,437,232,141                 |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

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

The following presents the total nonemployer OPEB liability as of June 30, 2024, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|                                                                                                                  | <b>June 30, 2024</b> |                                       |                    |
|------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------|--------------------|
|                                                                                                                  | <b>1% Decrease</b>   | <b>Healthcare Cost<br/>Trend Rate</b> | <b>1% Increase</b> |
| State of New Jersey's<br>Proportionate Share of Total OPEB<br>Obligations Associated with<br>the School District | \$ 40,139,600        | \$ 54,803,956                         | \$ 66,724,860      |
| State of New Jersey's<br>Total Nonemployer OPEB<br>Liability                                                     | \$ 43,689,409,509    | \$ 59,650,630,530                     | \$ 72,625,778,279  |

**Additional Information**

The following table illustrates the Deferred Inflows and Outflows as of the June 30, 2024 Measurement Date under GASB 75.

|                                                                                 | <b>Deferred Outflows of<br/>Resources</b> | <b>Deferred Inflows of<br/>Resources</b> |
|---------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between Expected<br>& Actual Experience                             | \$ 6,378,932,312                          | \$ 11,139,706,892                        |
| Change in Assumptions                                                           | 10,004,978,073                            | 11,662,607,882                           |
| Contributions Made in Fiscal Year<br>Ending 6/30/2024 After<br>Measurement Date | TBD                                       | N/A                                      |
|                                                                                 | <u>\$ 16,383,910,385</u>                  | <u>\$ 22,802,314,774</u>                 |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Additional Information (continued):**

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

| Measurement Period<br>Ending June 30, |                           |
|---------------------------------------|---------------------------|
| 2025                                  | \$ (2,115,877,507)        |
| 2026                                  | (1,774,175,666)           |
| 2027                                  | (842,677,045)             |
| 2028                                  | 221,470,185               |
| 2029                                  | (1,537,725,697)           |
| Thereafter                            | (369,418,659)             |
|                                       | <u>\$ (6,418,404,389)</u> |

**Plan Membership**

At June 30, 2023, the Program membership consisted of the following:

|                                        |                |
|----------------------------------------|----------------|
| Active Plan Members                    | 219,185        |
| Inactive Plan Members or Beneficiaries |                |
| Currently Receiving Benefits           | 153,556        |
|                                        | <u>372,741</u> |

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2025 (measurement date June 30, 2024) is as follows:

|                                                 |                          |
|-------------------------------------------------|--------------------------|
| <b>Total OPEB Liability</b>                     |                          |
| Service Cost                                    | \$ 2,152,062,729         |
| Interest Cost                                   | 1,963,557,443            |
| Difference Between Expected & Actual Experience | 158,934,425              |
| Changes of Assumptions                          | 4,462,660,491            |
| Contributions: Member                           | 51,347,810               |
| Gross Benefit Payments                          | <u>(1,499,600,607)</u>   |
| Net Change in Total OPEB Liability              | 7,288,962,291            |
| Total OPEB Liability (Beginning)                | <u>52,361,668,239</u>    |
| Total OPEB Liability (Ending)                   | <u>\$ 59,650,630,530</u> |
| Total Covered Employee Payroll                  | \$ 15,845,935,573        |
| Net OPEB Liability as a Percentage of Payroll   | 376.44%                  |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and postretirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the governmentwide and general fund financial statements. For the fiscal year ended June 30, 2025, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$4,443,963, \$971,388, \$1,298,530 and \$2,218 respectively.

**Note 11. Risk Management**

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

**New Jersey Unemployment Compensation Insurance** – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending unemployment claims fund balance and/or unemployment trust liability of the School District for the current year and previous two years.

| <u>Fiscal Year</u> | <u>Contributions</u> | <u>Amount<br/>Reimbursed</u> | Ending Balance                                      |                                         |
|--------------------|----------------------|------------------------------|-----------------------------------------------------|-----------------------------------------|
|                    |                      |                              | <u>Restricted<br/>Unemployment<br/>Fund Balance</u> | <u>Unemployment<br/>Trust Liability</u> |
| 2025               | \$ 42,921            | \$ 53,826                    | \$ 109,808                                          | \$ 1,646                                |
| 2024               | 39,055               | 66,558                       | 107,187                                             | 15,172                                  |
| 2023               | 39,100               | 40,517                       | 103,522                                             | 46,340                                  |

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

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

|                                       |                                |
|---------------------------------------|--------------------------------|
| Property - Blanket Building & Grounds | General & Automobile Liability |
| Environmental Impairment Liability    | Workers' Compensation          |
| School Board Legal Liability          | Comprehensive Crime Coverage   |
| Employers Liability                   | Excess Liability               |

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2025 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 12. Contingencies (Continued)**

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

**Note 13. Deferred Compensation**

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

AXA Equitable  
Lincoln Financial

Aspire  
Vanguard

**Note 14. Compensated Absences**

GASB Statement No. 101, Compensated Absences, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

School District employees are granted varying amounts of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the School District for the unused sick leave in accordance with the School District's agreements with various employee unions. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$4,991,782 at June 30, 2025. This estimate includes leave that is expected to be paid upon separation from service, and vacation and sick leave to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

The School District adopted GASB Statement No. 101 during the year ended June 30, 2025. As a result, the compensated absences liability disclosed above reflects the revised recognition criteria under this standard. Implementation of this Statement resulted in a Prior Period Adjustment. See Note 20 for further detail.

**Note 15. Tax Abatements**

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 15. Tax Abatements (Continued)**

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

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. For the year ended June 30, 2025, the District had \$145,236 in excess surplus.

**Note 17. Fund Balances**

**General Fund** – Of the \$12,694,094 General Fund fund balance at June 30, 2025, \$8,028,912 has been restricted for the Capital Reserve Account; \$1,578,148 has been restricted for the Maintenance Reserve Account; \$109,808 has been restricted for Unemployment Claims; \$993,845 has been assigned to other purposes; \$747,121 has been assigned for designated for subsequent year expenditures; \$145,236 has been restricted for current year excess surplus and \$1,091,024 has been unassigned.

**Special Revenue Fund** – Of the \$3,464,759 Special Revenue Fund fund balance at June 30, 2025, \$3,283,423 is restricted for scholarships and \$181,336 is restricted for student activities.

**Capital Projects Fund** – Of the \$4,590,792 Capital Projects Fund fund balance at June 30, 2025, \$2,787,165 is restricted for future capital projects approved by the School District and \$1,803,627 is restricted for Contractual Commitments in relation to construction in progress.

**Debt Service Fund** – The Debt Service Fund had a \$0 fund balance at June 30, 2025.

**Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$5,444,163 at June 30, 2025. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2025. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**Note 19. Commitments**

The District has contractual commitments at June 30, 2025 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$993,845 and committed to other purposes of \$1,803,627 in the Capital Projects Fund included in Restricted Fund Balance.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 20. Prior Period Adjustment/Restatement of Net Position**

Net Position and Long-Term Liabilities as of July 1, 2024, has been restated as follows for the implementation of GASB Statement No. 101, *Compensated Absences*.

|                                                                                    |                             |
|------------------------------------------------------------------------------------|-----------------------------|
| Net Position as previously reported<br>at June 30, 2024                            | \$ 32,059,837               |
| Prior Period Adjustment-<br>Implementation of GASB 101:<br>Net Position            | <u>(4,715,506)</u>          |
| Total Prior Period Adjustment                                                      | <u>(4,715,506)</u>          |
| Net Position as Restated, July 1, 2024                                             | <u><u>\$ 27,344,331</u></u> |
| Long-Term Liabilities Balance as previously reported<br>at June 30, 2024           | \$ 21,745,038               |
| Prior Period Adjustment-<br>Implementation of GASB 101:<br>Non-Current Liabilities | <u>4,715,506</u>            |
| Long-Term Liabilities Balance as Restated, July 1, 2024                            | <u><u>26,460,544</u></u>    |

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                 | ACCOUNT<br>NUMBERS | JUNE 30, 2025      |                     |                 |               | VARIANCE<br>FINAL TO<br>ACTUAL |
|-------------------------------------------------|--------------------|--------------------|---------------------|-----------------|---------------|--------------------------------|
|                                                 |                    | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET | ACTUAL        |                                |
| Revenues:                                       |                    |                    |                     |                 |               |                                |
| Local Sources:                                  |                    |                    |                     |                 |               |                                |
| Local Tax Levy                                  | 10-1210            | \$ 27,472,836      | \$ -                | \$ 27,472,836   | \$ 27,472,836 | \$ -                           |
| Tuition From Individuals                        | 10-1310            | 346,800            | -                   | 346,800         | 373,884       | 27,084                         |
| Tuition From Other LEAs Within State            | 10-1320            | 3,207,900          | -                   | 3,207,900       | 2,719,590     | (488,310)                      |
| Tuition From Summer School                      | 10-1350            | -                  | -                   | -               | 7,125         | 7,125                          |
| Transportation Fees From Other LEAs             | 10-1420            | 90,000             | -                   | 90,000          | 108,282       | 18,282                         |
| Unrestricted Miscellaneous Revenues             | 10-1990            | 100,000            | 15,000              | 115,000         | 302,849       | 187,849                        |
| Interest Earned on Unemployment Reserve         | 10-1992            | -                  | -                   | -               | 2,621         | 2,621                          |
| Interest Earned on Maintenance Reserve          | 10-1994            | 5,000              | (5,000)             | -               | 49,269        | 49,269                         |
| Interest Earned on Capital Reserve Funds        | 10-1995            | 10,000             | (10,000)            | -               | 146,533       | 146,533                        |
| Total Local Sources                             |                    | 31,232,536         | -                   | 31,232,536      | 31,182,989    | (49,547)                       |
| State Sources:                                  |                    |                    |                     |                 |               |                                |
| Categorical Transportation Aid                  | 10-3121            | 329,380            | -                   | 329,380         | 329,380       | -                              |
| Extraordinary Aid                               | 10-3131            | 150,000            | -                   | 150,000         | 690,998       | 540,998                        |
| Categorical Special Education Aid               | 10-3132            | 1,313,168          | -                   | 1,313,168       | 1,313,168     | -                              |
| Equalization Aid                                | 10-3176            | 85,945             | -                   | 85,945          | 85,945        | -                              |
| Categorical Security Aid                        | 10-3177            | 280,452            | -                   | 280,452         | 280,452       | -                              |
| Adjustment Aid                                  | 10-3178            | 20,284             | -                   | 20,284          | 20,284        | -                              |
| Other State Aids                                | 10-3190            | -                  | -                   | -               | 39,692        | 39,692                         |
| State Reimbursement for Menstrual Products      | 10-3301            | 5,000              | -                   | 5,000           | 4,334         | (666)                          |
| Nonbudgeted:                                    |                    |                    |                     |                 |               |                                |
| TPAF Pension (on-behalf)                        |                    | -                  | -                   | -               | 4,443,963     | 4,443,963                      |
| TPAF Social Security (reimbursed)               |                    | -                  | -                   | -               | 971,388       | 971,388                        |
| TPAF Post Retirements                           |                    | -                  | -                   | -               | 1,298,530     | 1,298,530                      |
| TPAF Long-Term Disability Insurance (on behalf) |                    | -                  | -                   | -               | 2,218         | 2,218                          |
| Total State Sources                             |                    | 2,184,229          | -                   | 2,184,229       | 9,480,352     | 7,296,123                      |
| Federal Sources:                                |                    |                    |                     |                 |               |                                |
| Medicaid Reimbursement                          | 10-4200            | 20,639             | -                   | 20,639          | 11,525        | (9,114)                        |
| Total Federal Sources                           |                    | 20,639             | -                   | 20,639          | 11,525        | (9,114)                        |
| Total Revenues                                  |                    | 33,437,404         | -                   | 33,437,404      | 40,674,866    | 7,237,462                      |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                               |                 | JUNE 30, 2025   |                  |              | VARIANCE        |
|-----------------------------------------------|-----------------|-----------------|------------------|--------------|-----------------|
|                                               | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | FINAL TO ACTUAL |
| Current Expense:                              |                 |                 |                  |              |                 |
| Regular Programs - Instruction:               |                 |                 |                  |              |                 |
| Grades 9-12 - Salaries of Teachers            | 11-140-100-101  | 9,032,990       | (237,156)        | 8,795,834    | 141,457         |
| Regular Programs - Home Instruction:          |                 |                 |                  |              |                 |
| Salaries of Teachers                          | 11-150-100-101  | 12,180          | (5,860)          | 6,320        | 2,180           |
| Other Purchased Services                      | 11-150-100-500  | 20,000          | 12,600           | 32,600       | 7,074           |
| Regular Programs - Undistributed Instruction: |                 |                 |                  |              |                 |
| Salaries of Teachers                          | 11-190-100-101  | 10,000          | 263,198          | 273,198      | 18,378          |
| Other Salaries for Instruction                | 11-190-100-106  | 395,200         | (263,991)        | 131,209      | 51,237          |
| Purchased Professional - Educational Services | 11-190-100-320  | 4,000           | -                | 4,000        | 1,404           |
| Purchased Technical Services                  | 11-190-100-340  | 530,679         | 24,815           | 555,494      | 59,159          |
| Other Purchased Services                      | 11-190-100-500  | 9,000           | (2,553)          | 6,447        | 5               |
| General Supplies                              | 11-190-100-610  | 503,710         | (73,430)         | 430,280      | 374,711         |
| Textbooks                                     | 11-190-100-640  | 8,165           | 20,944           | 29,109       | 5,299           |
| Other Objects                                 | 11-190-100-800  | 56,450          | (13,363)         | 43,087       | 4,882           |
| Total Regular Programs - Instruction          |                 | 10,582,374      | (274,796)        | 10,307,578   | 346,644         |
| Special Education - Instruction:              |                 |                 |                  |              |                 |
| Cognitive - Mild:                             |                 |                 |                  |              |                 |
| Salaries of Teachers                          | 11-201-100-101  | 235,075         | 1,201            | 236,276      | 1               |
| Other Salaries for Instruction                | 11-201-100-106  | 249,578         | 33,000           | 282,578      | 1,036           |
| Purchased Technical Services                  | 11-201-100-340  | 5,500           | (5,500)          | -            | -               |
| General Supplies                              | 11-201-100-610  | -               | 5,500            | 5,500        | 1,736           |
| Total Cognitive - Mild                        |                 | 490,153         | 34,201           | 524,354      | 2,773           |
| Special Education - Instruction:              |                 |                 |                  |              |                 |
| Resource Room/Resource Center:                |                 |                 |                  |              |                 |
| Salaries of Teachers                          | 11-213-100-101  | 817,250         | 8,800            | 826,050      | 2,610           |
| Other Salaries                                | 11-213-100-106  | 375,533         | (61,589)         | 313,944      | 8,991           |
| Purchased Technical Services                  | 11-213-100-340  | 4,800           | (2,442)          | 2,358        | 288             |
| General Supplies                              | 11-213-100-610  | 3,300           | -                | 3,300        | 482             |
| Total Resource Room/Resource Center           |                 | 1,200,883       | (55,231)         | 1,145,652    | 12,371          |
| Special Education - Instruction:              |                 |                 |                  |              |                 |
| Home Instruction:                             |                 |                 |                  |              |                 |
| Salaries of Teachers                          | 11-219-100-101  | 10,000          | -                | 10,000       | 5,092           |
| Other Purchased Services                      | 11-219-100-500  | 8,000           | 7,000            | 15,000       | 5,794           |
| Total Home Instruction                        |                 | 18,000          | 7,000            | 25,000       | 10,886          |
| Total Special Education - Instruction         |                 | 1,709,036       | (14,030)         | 1,695,006    | 26,030          |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                               |                 | JUNE 30, 2025   |                  |              | VARIANCE        |
|-------------------------------------------------------------------------------|-----------------|-----------------|------------------|--------------|-----------------|
|                                                                               | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | FINAL TO ACTUAL |
| Bilingual Education - Instruction:                                            |                 |                 |                  |              |                 |
| Salaries of Teachers                                                          | 11-240-100-101  | 362,800         | -                | 362,800      | -               |
| Other Salaries for Instruction                                                | 11-240-100-106  | 135,959         | -                | 135,959      | 1,080           |
| Purchased Technical Services                                                  | 11-240-100-340  | 300             | 1,669            | 1,969        | 439             |
| General Supplies                                                              | 11-240-100-610  | 3,740           | 4,958            | 8,698        | 6,935           |
| Total Bilingual Education - Instruction                                       |                 | 502,799         | 6,627            | 509,426      | 8,454           |
| School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:      |                 |                 |                  |              |                 |
| Salaries                                                                      | 11-401-100-100  | 240,621         | (5,500)          | 235,121      | 47,765          |
| Purchased Services                                                            | 11-401-100-500  | -               | 594              | 594          | -               |
| Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction |                 | 240,621         | (4,906)          | 235,715      | 47,765          |
| School-Sponsored Athletics - Instruction:                                     |                 |                 |                  |              |                 |
| Salaries                                                                      | 11-402-100-100  | 607,205         | (24,855)         | 582,350      | 12,637          |
| Purchased Services                                                            | 11-402-100-500  | 138,323         | (25,984)         | 112,339      | 8,481           |
| Supplies and Materials                                                        | 11-402-100-600  | 46,694          | 42,750           | 89,444       | 46,570          |
| Other Objects                                                                 | 11-402-100-800  | 35,000          | (5,000)          | 30,000       | 114             |
| Total School-Sponsored Athletics - Instruction                                |                 | 827,222         | (13,089)         | 814,133      | 67,802          |
| Summer School - Instruction:                                                  |                 |                 |                  |              |                 |
| Salaries of Teachers                                                          | 11-422-100-101  | 63,000          | (4,905)          | 58,095       | 10,272          |
| Other Salaries of Instruction                                                 | 11-422-100-106  | 7,000           | -                | 7,000        | 2,600           |
| General Supplies                                                              | 11-422-100-610  | 5,067           | (3,806)          | 1,261        | -               |
| Total Summer School - Instruction                                             |                 | 75,067          | (8,711)          | 66,356       | 12,872          |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                           | JUNE 30, 2025      |                     |                 | VARIANCE           |
|---------------------------------------------------------------------------|--------------------|---------------------|-----------------|--------------------|
|                                                                           | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET | FINAL TO<br>ACTUAL |
| ACCOUNT<br>NUMBERS                                                        |                    |                     |                 |                    |
| Summer School - Support Services:<br>Salaries                             | 5,000              | (398)               | 4,602           | 578                |
|                                                                           |                    |                     |                 | 4,024              |
| Total Summer School - Support Services                                    | 5,000              | (398)               | 4,602           | 578                |
|                                                                           |                    |                     |                 | 4,024              |
| Undistributed Expenditures - Instruction (Tuition):                       |                    |                     |                 |                    |
| Tuition to Other LEAs Within State - Regular                              | -                  | 18,218              | 18,218          | 10,218             |
| Tuition to Other LEAs Within State - Special                              | 60,205             | (25,000)            | 35,205          | 35,205             |
| Tuition to County Vocational School - Regular                             | 622,545            | (17,127)            | 605,418         | 421,664            |
| Tuition to County Vocational School - Special                             | 154,286            | (2,200)             | 152,086         | 110,690            |
| Tuition to County Special Services & Regular Day Schools                  | 82,000             | 61,500              | 143,500         | 141,050            |
| Tuition to Private School Disabled - Within State                         | 1,992,331          | (35,391)            | 1,956,940       | 1,560,776          |
| Tuition to Private School Disabled & Other LEAs - Outside State           | 6,300              | -                   | 6,300           | 6,300              |
| Tuition - State Facilities                                                | 125,691            | -                   | 125,691         | 125,691            |
|                                                                           |                    |                     |                 | -                  |
| Total Undistributed Expenditures - Instruction (Tuition)                  | 3,043,358          | -                   | 3,043,358       | 2,411,594          |
|                                                                           |                    |                     |                 | 631,764            |
| Undistributed Expenditures Attendance and Social Work:                    |                    |                     |                 |                    |
| Salaries                                                                  | 221,502            | 21,454              | 242,956         | 242,534            |
| Salaries of Community/School Coordinators                                 | 135,377            | -                   | 135,377         | 135,376            |
|                                                                           |                    |                     |                 | 1                  |
| Total Undistributed Expenditures Attendance and Social Work               | 356,879            | 21,454              | 378,333         | 377,910            |
|                                                                           |                    |                     |                 | 423                |
| Undistributed Expenditures - Health Services:                             |                    |                     |                 |                    |
| Salaries                                                                  | 139,281            | (4,851)             | 134,430         | 134,430            |
| Purchased Professional & Technical Services                               | 30,250             | 70,102              | 100,352         | 100,352            |
| Supplies and Materials                                                    | 9,900              | (575)               | 9,325           | 8,675              |
| Supplies - Menstrual Products                                             | 5,000              | (598)               | 4,402           | 4,334              |
| Other Objects                                                             | 400                | (45)                | 355             | 355                |
|                                                                           |                    |                     |                 | -                  |
| Total Undistributed Expenditures - Health Services                        | 184,831            | 64,033              | 248,864         | 248,146            |
|                                                                           |                    |                     |                 | 718                |
| Undistributed Expenditures -<br>Speech, OT, PT and Related Services:      |                    |                     |                 |                    |
| Salaries                                                                  | 73,600             | (338)               | 73,262          | 73,262             |
| Purchased Professional - Educational Services                             | 88,000             | (21,225)            | 66,775          | 29,195             |
|                                                                           |                    |                     |                 | 37,580             |
| Total Undistributed Expenditures -<br>Speech, OT, PT and Related Services | 161,600            | (21,563)            | 140,037         | 102,457            |
|                                                                           |                    |                     |                 | 37,580             |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                          |                 | JUNE 30, 2025   |                  |              | VARIANCE        |
|--------------------------------------------------------------------------|-----------------|-----------------|------------------|--------------|-----------------|
|                                                                          | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | FINAL TO ACTUAL |
| Undistributed Expenditures - Guidance:                                   |                 |                 |                  |              |                 |
| Salaries of Other Professional Staff                                     | 11-000-218-104  | 687,446         | 762              | 688,208      | 688,207 1       |
| Salaries of Secretaries & Clerical Assistants                            | 11-000-218-105  | 121,240         | 75               | 121,315      | 121,315 -       |
| Purchased Professional - Educational Services                            | 11-000-218-320  | 53,546          | (6,891)          | 46,655       | 45,810 845      |
| Other Purchased Professional and Technical Services                      | 11-000-218-390  | 35,450          | (1,716)          | 33,734       | 33,734 -        |
| Other Purchased Services                                                 | 11-000-218-500  | 500             | (500)            | -            | -               |
| Supplies and Materials                                                   | 11-000-218-600  | 11,600          | (4,821)          | 6,779        | 6,779 -         |
| Other Objects                                                            | 11-000-218-800  | 1,650           | (366)            | 1,284        | 1,284 -         |
| Total Undistributed Expenditures - Guidance                              |                 | 911,432         | (13,457)         | 897,975      | 897,129 846     |
| Undistributed Expenditures - Child Study Teams:                          |                 |                 |                  |              |                 |
| Salaries of Other Professional Staff                                     | 11-000-219-104  | 590,337         | (11,145)         | 579,192      | 579,191 1       |
| Salaries of Secretaries & Clerical Assistants                            | 11-000-219-105  | 51,370          | -                | 51,370       | 51,370 -        |
| Other Purchased Prof. and Tech. Services                                 | 11-000-219-390  | 10,075          | (1,497)          | 8,578        | 7,300 1,278     |
| Supplies and Materials                                                   | 11-000-219-600  | 4,750           | (298)            | 4,452        | 4,452 -         |
| Other Objects                                                            | 11-000-219-800  | 1,500           | 2,135            | 3,635        | 3,626 9         |
| Total Undistributed Expenditures - Child Study Teams                     |                 | 658,032         | (10,805)         | 647,227      | 645,939 1,288   |
| Undistributed Expenditures - Improvement of Instruction Services:        |                 |                 |                  |              |                 |
| Salaries of Supervisors of Instruction                                   | 11-000-221-102  | 629,689         | -                | 629,689      | 612,043 17,646  |
| Salaries of Sec. and Clerical Assist.                                    | 11-000-221-105  | 111,876         | -                | 111,876      | 110,638 1,238   |
| Other Salaries                                                           | 11-000-221-110  | 61,600          | -                | 61,600       | 38,300 23,300   |
| Total Undistributed Expenditures - Improvement of Instruction Services   |                 | 803,165         | -                | 803,165      | 760,981 42,184  |
| Undistributed Expenditures - Educational Media Services/Library:         |                 |                 |                  |              |                 |
| Salaries                                                                 | 11-000-222-100  | 178,570         | -                | 178,570      | 175,070 3,500   |
| Supplies and Materials                                                   | 11-000-222-600  | 29,341          | -                | 29,341       | 29,281 60       |
| Total Undistributed Expenditures - Educational Media Services/Library    |                 | 207,911         | -                | 207,911      | 204,351 3,560   |
| Undistributed Expenditures - Instructional Staff Training Services:      |                 |                 |                  |              |                 |
| Salaries of Other Professional Staff                                     | 11-000-223-104  | -               | 6,000            | 6,000        | - 6,000         |
| Other Salaries                                                           | 11-000-223-110  | 6,000           | (6,000)          | -            | -               |
| Other Purchased Services                                                 | 11-000-223-500  | 29,420          | -                | 29,420       | 16,417 13,003   |
| Total Undistributed Expenditures - Instructional Staff Training Services |                 | 35,420          | -                | 35,420       | 16,417 19,003   |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**YEAR ENDED JUNE 30, 2025**

|                                                     | ACCOUNT NUMBERS | JUNE 30, 2025      |                     |                 | VARIANCE<br>FINAL TO<br>ACTUAL |
|-----------------------------------------------------|-----------------|--------------------|---------------------|-----------------|--------------------------------|
|                                                     |                 | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET |                                |
| Undistributed Expenditures -                        |                 |                    |                     |                 |                                |
| Support Services - General Administration:          |                 |                    |                     |                 |                                |
| Salaries                                            | 11-000-230-100  | 287,861            | -                   | 287,861         | -                              |
| Legal Services                                      | 11-000-230-331  | 115,000            | -                   | 115,000         | 63,370                         |
| Audit Fees                                          | 11-000-230-332  | 49,000             | 5,000               | 54,000          | 5,445                          |
| Architectural/Engineering Services                  | 11-000-230-334  | 77,130             | -                   | 77,130          | 55,432                         |
| Other Purchased Professional Services               | 11-000-230-339  | 28,000             | (17,789)            | 10,211          | 10,132                         |
| Purchased Technical Services                        | 11-000-230-340  | -                  | 2,789               | 2,788           | 1                              |
| Communications/Telephone                            | 11-000-230-530  | 47,500             | 10,000              | 57,500          | 18,239                         |
| BOE Other Purchased Professional Services           | 11-000-230-585  | 10,500             | (900)               | 9,600           | 7,119                          |
| Other Purchased Services                            | 11-000-230-590  | 75,017             | 69,960              | 144,977         | 7,669                          |
| General Supplies                                    | 11-000-230-610  | 4,800              | (1,500)             | 3,300           | 1,355                          |
| BOE In-House Training/Meeting Supplies              | 11-000-230-630  | 2,850              | 2,131               | 4,981           | 294                            |
| Miscellaneous Expenditures                          | 11-000-230-890  | 12,500             | 1,500               | 14,000          | 2,102                          |
| BOE Membership Dues and Fees                        | 11-000-230-895  | 15,000             | (300)               | 14,700          | 3                              |
| Total Undistributed Expenditures -                  |                 | 725,158            | 70,891              | 796,049         | 171,161                        |
| Support Services - General Administration           |                 |                    |                     |                 |                                |
| Undistributed Expenditures -                        |                 |                    |                     |                 |                                |
| Support Services - School Administration:           |                 |                    |                     |                 |                                |
| Salaries of Principals/Assistant Principals         | 11-000-240-103  | 489,659            | 19,712              | 509,371         | 38,917                         |
| Salaries of Secretaries & Clerical Assistants       | 11-000-240-105  | 145,560            | 7,288               | 152,848         | 8,332                          |
| Other Purchased Services                            | 11-000-240-500  | -                  | 8,000               | 8,000           | 2,225                          |
| Supplies and Materials                              | 11-000-240-600  | 57,200             | 30,500              | 87,700          | 57,201                         |
| Other Objects                                       | 11-000-240-800  | 100                | 3,000               | 3,100           | 3,100                          |
| Total Undistributed Expenditures -                  |                 | 692,519            | 68,500              | 761,019         | 109,775                        |
| Support Services - School Administration            |                 |                    |                     |                 |                                |
| Undistributed Expenditures - Central Services:      |                 |                    |                     |                 |                                |
| Salaries                                            | 11-000-251-100  | 508,844            | 14,000              | 522,844         | 14,543                         |
| Purchased Professional Services                     | 11-000-251-330  | 32,300             | 17,000              | 49,300          | 33,106                         |
| Purchased Technical Services                        | 11-000-251-340  | 39,000             | 15,139              | 54,139          | 16,038                         |
| Supplies and Materials                              | 11-000-251-600  | 16,332             | 7,500               | 23,832          | 922                            |
| Miscellaneous Expenditures                          | 11-000-251-890  | 11,700             | 8,861               | 20,561          | 14,401                         |
| Total Undistributed Expenditures - Central Services |                 | 608,176            | 62,500              | 670,676         | 79,010                         |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                                  | ACCOUNT<br>NUMBERS | JUNE 30, 2025      |                     |                 | VARIANCE<br>FINAL TO<br>ACTUAL |
|----------------------------------------------------------------------------------|--------------------|--------------------|---------------------|-----------------|--------------------------------|
|                                                                                  |                    | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET |                                |
| Undistributed Expenditures -<br>Administrative Information Technology:           |                    |                    |                     |                 |                                |
| Salaries                                                                         | 11-000-252-100     | 276,249            | 9,918               | 286,167         | 16,036                         |
| Total Undistributed Expenditures -<br>Administrative Information Technology      |                    | 276,249            | 9,918               | 286,167         | 16,036                         |
| Undistributed Expenditures -<br>Required Maintenance for School Facilities:      |                    |                    |                     |                 |                                |
| Salaries                                                                         | 11-000-261-100     | 202,704            | 29,558              | 232,262         | -                              |
| Cleaning, Repair & Maintenance Services                                          | 11-000-261-420     | 830,021            | (24,893)            | 805,128         | 251,710                        |
| Lead Testing of Drinking Water                                                   | 11-000-261-421     | -                  | 3,990               | 3,990           | -                              |
| General Supplies                                                                 | 11-000-261-610     | 73,143             | (8,655)             | 64,488          | 17,882                         |
| Total Undistributed Expenditures -<br>Required Maintenance for School Facilities |                    | 1,105,868          | -                   | 1,105,868       | 269,592                        |
| Undistributed Expenditures - Custodial Services:                                 |                    |                    |                     |                 |                                |
| Salaries                                                                         | 11-000-262-100     | 197,076            | -                   | 197,076         | 25,109                         |
| Salaries of Non-Instructional Aides                                              | 11-000-262-107     | 71,023             | 35,798              | 106,821         | 36,028                         |
| Purchased Professional and Technical Services                                    | 11-000-262-300     | 11,500             | -                   | 11,500          | 9,400                          |
| Cleaning, Repair & Maintenance Services                                          | 11-000-262-420     | 910,836            | (36,081)            | 874,755         | 28,067                         |
| Other Purchased Property Services                                                | 11-000-262-490     | 79,000             | 15,000              | 94,000          | 7,274                          |
| Insurance                                                                        | 11-000-262-520     | 235,800            | 18,508              | 254,308         | -                              |
| Travel                                                                           | 11-000-262-580     | -                  | 1,046               | 1,046           | 576                            |
| Miscellaneous Purchased Services                                                 | 11-000-262-590     | 1,500              | (1,500)             | -               | -                              |
| General Supplies                                                                 | 11-000-262-610     | 114,780            | (12,546)            | 102,234         | 19,266                         |
| Energy (Natural Gas)                                                             | 11-000-262-621     | 140,000            | 25,019              | 165,019         | 766                            |
| Energy (Electricity)                                                             | 11-000-262-622     | 575,000            | 49,265              | 624,265         | 45,654                         |
| Other Objects                                                                    | 11-000-262-800     | 8,250              | (1,500)             | 6,750           | 1,854                          |
| Total Undistributed Expenditures - Custodial Services                            |                    | 2,344,765          | 93,009              | 2,437,774       | 173,994                        |
| Undistributed Expenditures -<br>Care and Upkeep of Grounds:                      |                    |                    |                     |                 |                                |
| Cleaning, Repair & Maintenance Services                                          | 11-000-263-420     | 85,580             | (39,298)            | 46,282          | 17,281                         |
| General Supplies                                                                 | 11-000-263-610     | 50,186             | (13,710)            | 36,476          | 8,256                          |
| Total Undistributed Expenditures -<br>Care and Upkeep of Grounds                 |                    | 135,766            | (53,008)            | 82,758          | 25,537                         |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                    | ACCOUNT NUMBERS | JUNE 30, 2025      |                     |                 | VARIANCE<br>FINAL TO<br>ACTUAL |
|--------------------------------------------------------------------|-----------------|--------------------|---------------------|-----------------|--------------------------------|
|                                                                    |                 | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET |                                |
| Security:                                                          |                 |                    |                     |                 |                                |
| Salaries                                                           | 11-000-266-100  | 212,051            | (5,000)             | 207,051         | 12,761                         |
| Purchased Professional and Technical Services                      | 11-000-266-300  | 84,000             | -                   | 84,000          | 345                            |
| Cleaning, Repair, and Maintenance Services                         | 11-000-266-420  | 6,500              | -                   | 6,500           | 6,500                          |
| General Supplies                                                   | 11-000-266-610  | 3,580              | -                   | 3,580           | 1,620                          |
| Total Security                                                     |                 | 306,131            | (5,000)             | 301,131         | 21,226                         |
| Undistributed Expenditures -                                       |                 |                    |                     |                 |                                |
| Student Transportation Services:                                   |                 |                    |                     |                 |                                |
| Salaries of Pupil Transportation (Between Home & School) - Regular | 11-000-270-160  | 44,581             | -                   | 44,581          | 2                              |
| Salaries for Pupil Trans (Bet Home & Sch)- Sp Ed                   | 11-000-270-161  | 14,860             | 1                   | 14,861          | 1                              |
| Other Purchased Prof. and Technical Serv.                          | 11-000-270-390  | 7,000              | (11)                | 6,989           | 1,647                          |
| Contract Services - Aid in Lieu Payments - Non Public Schools      | 11-000-270-503  | 18,000             | -                   | 18,000          | 7,558                          |
| Contract Services (Between Home & School) - Vendors                | 11-000-270-511  | 597,500            | (20,315)            | 577,185         | 81,835                         |
| Contract Services (Other Than Between Home & School) - Vendors     | 11-000-270-512  | 209,655            | 9,970               | 219,625         | 12,829                         |
| Contract Services (Special Education) - Vendors                    | 11-000-270-514  | 281,000            | (10,000)            | 271,000         | 75,127                         |
| Contract Serv.(Sp Ed Stds)-Joint Agrmnts                           | 11-000-270-515  | 39,000             | -                   | 39,000          | 21,150                         |
| Contract Serv.(Spl. Ed. Students)-ESCs & CTSAAs                    | 11-000-270-517  | 754,000            | 55,000              | 809,000         | 12,144                         |
| Contract Services (Special Education) - ESCs & CTSAAs              | 11-000-270-518  | 1,030,000          | (85,545)            | 944,455         | 340,035                        |
| Miscellaneous Purchased Services - Transportation                  | 11-000-270-593  | 500                | -                   | 500             | 500                            |
| General Supplies                                                   | 11-000-270-610  | 500.00             | -                   | 500.00          | 500.00                         |
| Total Undistributed Expenditures -                                 |                 | 2,996,596          | (50,900)            | 2,945,696       | 553,328                        |
| Student Transportation Services                                    |                 |                    |                     | 2,392,368       |                                |
| Unallocated Benefits:                                              |                 |                    |                     |                 |                                |
| Social Security Contributions                                      | 11-000-291-220  | 413,223            | -                   | 413,223         | 99,542                         |
| Other Retirement Contributions - PERS                              | 11-000-291-241  | 440,000            | -                   | 440,000         | 44,196                         |
| Workmen's Compensation                                             | 11-000-291-260  | 128,000            | (16,494)            | 111,506         | 1                              |
| Health Benefits                                                    | 11-000-291-270  | 4,675,000          | (96,405)            | 4,578,595       | 413,380                        |
| Tuition Reimbursement                                              | 11-000-291-280  | 54,015             | -                   | 54,015          | 11,958                         |
| Other Employee Benefits                                            | 11-000-291-290  | 121,748            | 96,404              | 218,152         | 102,873                        |
| Total Unallocated Benefits                                         |                 | 5,831,986          | (16,495)            | 5,815,491       | 671,950                        |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**YEAR ENDED JUNE 30, 2025**

|                                                                                                 | ACCOUNT NUMBERS | JUNE 30, 2025   |                  |              | VARIANCE FINAL TO ACTUAL |
|-------------------------------------------------------------------------------------------------|-----------------|-----------------|------------------|--------------|--------------------------|
|                                                                                                 |                 | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET |                          |
| Nonbudgeted:                                                                                    |                 |                 |                  |              |                          |
| TPAF Pension (on-behalf)                                                                        |                 | -               | -                | -            | (4,443,963)              |
| TPAF Social Security (reimbursed)                                                               |                 | -               | -                | -            | (971,388)                |
| TPAF Post Retirements                                                                           |                 | -               | -                | -            | (1,298,530)              |
| TPAF Long-Term Disability Insurance (on behalf)                                                 |                 | -               | -                | -            | (2,218)                  |
| Total Undistributed Expenditures                                                                |                 | 21,385,842      | 219,077          | 21,604,919   | (3,887,124)              |
| Total Expenditures - Current Expense                                                            |                 | 35,327,961      | (90,226)         | 35,237,735   | (3,373,533)              |
| Capital Outlay:                                                                                 |                 |                 |                  |              |                          |
| Equipment:                                                                                      |                 |                 |                  |              |                          |
| Grades 9-12                                                                                     | 12-140-100-730  | 9,012           | 75,452           | 84,464       | 9,012                    |
| Home Instruction                                                                                | 12-219-100-730  | 5,000           | (5,000)          | -            | -                        |
| Undistributed Expenditures - School Admin.                                                      | 12-000-240-730  | -               | 4,597            | 4,597        | 4,597                    |
| Central Services                                                                                | 12-000-251-730  | -               | 47,235           | 47,235       | -                        |
| Undistributed Expenditures - Admin Info Tech.                                                   | 12-000-252-730  | 42,355          | (42,355)         | -            | -                        |
| Undist. Expend. - Custodial Services                                                            | 12-000-262-730  | -               | 36,497           | 36,497       | 30,949                   |
| Undist. Expend. - Security                                                                      | 12-000-266-730  | 30,000          | (26,200)         | 3,800        | -                        |
| Total Equipment                                                                                 |                 | 86,367          | 90,226           | 176,593      | 110,998                  |
| Facilities Acquisition & Construction Services:                                                 |                 |                 |                  |              |                          |
| Assessment for Debt Service on SDA Funding                                                      | 12-000-400-896  | 39,063          | -                | 39,063       | -                        |
| Total Facilities Acquisition & Construction Services                                            |                 | 39,063          | -                | 39,063       | -                        |
| Total Capital Outlay                                                                            |                 | 125,430         | 90,226           | 215,656      | 110,998                  |
| Total Expenditures                                                                              |                 | 35,453,391      | -                | 35,453,391   | (3,262,535)              |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses) |                 | (2,015,987)     | -                | (2,015,987)  | 3,974,927                |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                                                       | ACCOUNT<br>NUMBERS | JUNE 30, 2025      |                     |                 | VARIANCE<br>FINAL TO<br>ACTUAL |
|-------------------------------------------------------------------------------------------------------|--------------------|--------------------|---------------------|-----------------|--------------------------------|
|                                                                                                       |                    | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET |                                |
| Other Financing Sources/(Uses):                                                                       |                    |                    |                     |                 |                                |
| Transfers In(Out):                                                                                    |                    |                    |                     |                 |                                |
| Capital Reserve - Transfer to Capital Projects                                                        | 12-000-400-931     | -                  | (2,839,200)         | (2,839,200)     | -                              |
| Transfer from Capital Projects                                                                        |                    | -                  | -                   | -               | 854,771                        |
| Total Other Financing Sources/(Uses)                                                                  |                    | -                  | (2,839,200)         | (2,839,200)     | 854,771                        |
| Excess/(Deficiency) of Revenues Over/<br>(Under) Expenditures After Other<br>Financing Sources/(Uses) |                    | (2,015,987)        | (2,839,200)         | (4,855,187)     | 4,829,698                      |
| Fund Balances, July 1                                                                                 |                    | 12,906,030         | -                   | 12,906,030      | -                              |
| Fund Balances, June 30                                                                                |                    | \$ 10,890,043      | \$ (2,839,200)      | \$ 8,050,843    | \$ 4,829,698                   |

**RECAPITULATION OF BUDGET TRANSFERS**

\$ (2,839,200)

**RECAPITULATION OF FUND BALANCE**

|                                                         |               |  |
|---------------------------------------------------------|---------------|--|
| Restricted Fund Balance:                                |               |  |
| Capital Reserve                                         | \$ 8,028,912  |  |
| Maintenance Reserve                                     | 1,578,148     |  |
| Excess Surplus                                          | 145,236       |  |
| Reserve for Unemployment Claims                         | 109,808       |  |
| Assigned Fund Balance:                                  |               |  |
| Designated for Subsequent Year's Expenditures           | 747,121       |  |
| Year-End Encumbrances                                   | 993,845       |  |
| Unassigned Fund Balance                                 | 1,277,471     |  |
| Subtotal                                                | 12,880,541    |  |
| Reconciliation to Governmental Funds Statements (GAAP): |               |  |
| Last State Aid Payments Not Recognized on GAAP Basis    | (186,447)     |  |
| Fund Balance per Governmental Funds (GAAP)              | \$ 12,694,094 |  |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                                                               | JUNE 30, 2025      |                     |                 |              | VARIANCE<br>FINAL TO<br>ACTUAL<br>(OVER)/<br>UNDER |
|-----------------------------------------------------------------------------------------------|--------------------|---------------------|-----------------|--------------|----------------------------------------------------|
|                                                                                               | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET | ACTUAL       |                                                    |
| Revenues:                                                                                     |                    |                     |                 |              |                                                    |
| Local Sources                                                                                 | \$ 135,000         | \$ 116,179          | \$ 251,179      | \$ 453,421   | \$ (202,242)                                       |
| State Sources                                                                                 | 685,786            | 136,234             | 822,020         | 821,290      | 730                                                |
| Federal Sources                                                                               | 547,752            | 298,041             | 845,793         | 674,576      | 171,217                                            |
| Total Revenues                                                                                | 1,368,538          | 550,454             | 1,918,992       | 1,949,287    | (30,295)                                           |
| Expenditures:                                                                                 |                    |                     |                 |              |                                                    |
| Instruction:                                                                                  |                    |                     |                 |              |                                                    |
| Salaries of Teachers                                                                          | 411,169            | 2,276               | 413,445         | 352,907      | 60,538                                             |
| Purchased Professional - Educational Services                                                 | 157,146            | 83,048              | 240,194         | 240,184      | 10                                                 |
| Other Purchased Services (400-500 Series)                                                     | 375,753            | (68,880)            | 306,873         | 306,431      | 442                                                |
| General Supplies                                                                              | -                  | 16,471              | 16,471          | 13,009       | 3,462                                              |
| Textbooks                                                                                     | 33,610             | 1,625               | 35,235          | 34,303       | 932                                                |
| Other Objects                                                                                 | -                  | 5,500               | 5,500           | 5,220        | 280                                                |
| Total Instruction                                                                             | 977,678            | 40,040              | 1,017,718       | 952,054      | 65,664                                             |
| Support Services:                                                                             |                    |                     |                 |              |                                                    |
| Salaries of Other Professional Staff                                                          | 38,417             | 60,697              | 99,114          | 81,251       | 17,863                                             |
| Personal Services - Employee Benefits                                                         | -                  | 15,181              | 15,181          | 9,163        | 6,018                                              |
| Purchased Educational Services                                                                | 98,256             | 164,972             | 263,228         | 217,384      | 45,844                                             |
| Other Purchased Services (400-500 Series)                                                     | 119,187            | 98,393              | 217,580         | 199,130      | 18,450                                             |
| Supplies and Materials                                                                        | -                  | 75,380              | 75,380          | 36,552       | 38,828                                             |
| Other Objects                                                                                 | -                  | 25,011              | 25,011          | 25,011       | -                                                  |
| Scholarships Awarded                                                                          | 10,000             | -                   | 10,000          | 88,254       | (78,254)                                           |
| Student Activities                                                                            | 125,000            | 70,780              | 195,780         | 274,912      | (79,132)                                           |
| Total Support Services                                                                        | 390,860            | 510,414             | 901,274         | 931,657      | (30,383)                                           |
| Total Expenditures                                                                            | 1,368,538          | 550,454             | 1,918,992       | 1,883,711    | 35,281                                             |
| Excess/(Deficiency) of Revenues Over/(Under)<br>Expenditures & Other Financing Sources/(Uses) | \$ -               | \$ -                | \$ -            | \$ 65,576    | \$ (65,576)                                        |
| Fund Balance, July 1                                                                          |                    |                     |                 | 3,399,183    |                                                    |
| Fund Balance, June 30                                                                         |                    |                     |                 | \$ 3,464,759 |                                                    |
| Recapitulation:                                                                               |                    |                     |                 |              |                                                    |
| Restricted:                                                                                   |                    |                     |                 |              |                                                    |
| Scholarships                                                                                  |                    |                     |                 | \$ 3,283,423 |                                                    |
| Student Activities                                                                            |                    |                     |                 | 181,336      |                                                    |
| Total Fund Balance                                                                            |                    |                     |                 | \$ 3,464,759 |                                                    |

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2025**

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

|                                                                                                                                                                                                                                | <b>GENERAL<br/>FUND</b> | <b>SPECIAL<br/>REVENUE<br/>FUND</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------------------|
| <b>Sources/Inflows of Resources:</b>                                                                                                                                                                                           |                         |                                     |
| Actual Amounts (Budgetary Basis) "Revenue"                                                                                                                                                                                     |                         |                                     |
| From the Budgetary Comparison Schedule (C-Series)                                                                                                                                                                              | \$ 40,674,867           | \$ 1,949,287                        |
| Difference - Budget to GAAP:                                                                                                                                                                                                   |                         |                                     |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.                                                                                 |                         |                                     |
| Current Year                                                                                                                                                                                                                   | -                       | (175)                               |
| Prior Year                                                                                                                                                                                                                     | -                       | 428,720                             |
| The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).    |                         |                                     |
| Current Year                                                                                                                                                                                                                   | (186,447)               | -                                   |
| Prior Year                                                                                                                                                                                                                     | 174,811                 | -                                   |
| Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)                                                                                                | <u>\$ 40,663,231</u>    | <u>\$ 2,377,832</u>                 |
| <b>Uses/outflows of resources:</b>                                                                                                                                                                                             |                         |                                     |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)                                                                                                                           | \$ 38,715,926           | \$ 1,883,711                        |
| Differences - budget to GAAP                                                                                                                                                                                                   |                         |                                     |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes. |                         |                                     |
|                                                                                                                                                                                                                                | -                       | 428,545                             |
| Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)                                                                                             | <u>\$ 38,715,926</u>    | <u>\$ 2,312,256</u>                 |

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)**

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

|                                                                                                           | 2025          | 2024          | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          |
|-----------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| School District's proportion of the net pension liability                                                 | 0.0290900000% | 0.0299200000% | 0.0347100000% | 0.0367900000% | 0.0360900000% | 0.0352600000% | 0.0369400000% | 0.0335200000% | 0.0350700000% | 0.0338600000% |
| School District's proportionate share of the net pension liability                                        | \$ 3,952,427  | \$ 4,333,595  | \$ 5,238,603  | \$ 4,358,573  | \$ 5,884,703  | \$ 6,353,707  | \$ 7,273,091  | \$ 7,801,840  | \$ 10,387,999 | \$ 7,600,286  |
| School District's covered payroll                                                                         | \$ 2,343,112  | \$ 2,208,282  | \$ 2,401,033  | \$ 2,496,838  | \$ 2,594,940  | \$ 2,533,800  | \$ 2,519,359  | \$ 2,548,461  | \$ 2,459,033  | \$ 2,294,750  |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 169%          | 196%          | 218%          | 175%          | 227%          | 251%          | 289%          | 306%          | 422%          | 331%          |
| Plan fiduciary net position as a percentage of the total pension liability                                | 68.22%        | 65.23%        | 62.91%        | 70.33%        | 58.32%        | 56.27%        | 53.60%        | 48.10%        | 40.14%        | 47.93%        |

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

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

|                                                                      | 2025         | 2024         | 2023         | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         |
|----------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| School District's contractually required contribution                | \$ 395,800   | \$ 399,877   | \$ 437,742   | \$ 430,878   | \$ 394,764   | \$ 342,997   | \$ 367,423   | \$ 310,484   | \$ 311,595   | \$ 291,082   |
| Contributions in relation to the contractually required contribution | (395,800)    | (399,877)    | (437,742)    | (430,878)    | (394,764)    | (342,997)    | (367,423)    | (310,484)    | (311,595)    | (291,082)    |
| Contribution deficiency (excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| School District's covered payroll                                    | \$ 2,462,930 | \$ 2,343,112 | \$ 2,208,282 | \$ 2,401,033 | \$ 2,496,838 | \$ 2,594,940 | \$ 2,533,800 | \$ 2,519,359 | \$ 2,548,461 | \$ 2,459,033 |
| Contributions as a percentage of covered payroll                     | 16.07%       | 17.07%       | 19.82%       | 17.95%       | 15.81%       | 13.22%       | 14.50%       | 12.32%       | 12.23%       | 11.84%       |

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

|                                                                                                           | 2025          | 2024          | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          |
|-----------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| School District's proportion of the net pension liability                                                 | 0%            |               |               |               |               |               |               |               |               | 0%            |
| School District's proportionate share of the net pension liability                                        | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| State's proportionate share of the net pension liability associated with the School District              | \$ 52,374,597 | \$ 51,884,557 | \$ 51,289,108 | \$ 49,486,188 | \$ 67,196,937 | \$ 62,308,695 | \$ 63,178,746 | \$ 66,544,890 | \$ 76,775,498 | \$ 59,703,767 |
|                                                                                                           | \$ 52,374,597 | \$ 51,884,557 | \$ 51,289,108 | \$ 49,486,188 | \$ 67,196,937 | \$ 62,308,695 | \$ 63,178,746 | \$ 66,544,890 | \$ 76,775,498 | \$ 59,703,767 |
| School District's covered payroll                                                                         | \$ 13,502,540 | \$ 13,252,510 | \$ 12,509,999 | \$ 12,109,623 | \$ 11,359,238 | \$ 11,035,898 | \$ 11,183,185 | \$ 10,670,339 | \$ 11,670,691 | \$ 10,109,522 |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            |
| Plan fiduciary net position as a percentage of the total pension liability                                | 37.99%        | 34.68%        | 32.29%        | 35.52%        | 24.60%        | 26.95%        | 26.49%        | 25.41%        | 22.33%        | 28.71%        |

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST  
EMPLOYMENT BENEFITS (GASB 75)**

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

|                                                          | 2025          | 2024          | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          |
|----------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>District's Total OPEB Liability</b>                   |               |               |               |               |               |               |               |               |
| Service Cost                                             | \$ 2,053,087  | \$ 2,117,392  | \$ 2,737,262  | \$ 3,175,758  | \$ 1,722,038  | \$ 1,603,201  | \$ 1,800,146  | \$ 2,168,108  |
| Interest Cost                                            | 1,804,016     | 1,697,418     | 1,236,774     | 1,415,543     | 1,346,189     | 1,621,728     | 1,779,186     | 1,532,754     |
| Change of Benefit Terms                                  | -             | -             | -             | (58,081)      | -             | -             | -             | -             |
| Difference between Expected & Actual Differences         | (19,010)      | (1,104,693)   | 1,832,171     | (9,685,058)   | 10,356,993    | (6,273,362)   | (5,405,856)   | -             |
| Changes of Assumptions                                   | 4,100,065     | 97,144        | (12,519,320)  | 53,835        | 11,095,937    | 555,383       | (4,687,904)   | (6,349,237)   |
| Contributions: Member                                    | 47,176        | 43,499        | 39,301        | 36,188        | 32,053        | 33,894        | 37,753        | 41,297        |
| Gross Benefit Payments                                   | (1,377,757)   | (1,323,165)   | (1,225,061)   | (1,115,051)   | (1,057,512)   | (1,143,428)   | (1,092,352)   | (1,121,520)   |
| Net Change in District's Total OPEB Liability            | 6,607,577     | 1,527,595     | (7,898,873)   | (6,176,866)   | 23,495,698    | (3,602,584)   | (7,569,027)   | (3,728,598)   |
| District's Total OPEB Liability (Beginning)              | 48,196,379    | 46,668,784    | 54,567,657    | 60,744,523    | 37,248,825    | 40,851,409    | 48,420,436    | 52,149,034    |
| District's Total OPEB Liability (Ending)                 | \$ 54,803,956 | \$ 48,196,379 | \$ 46,668,784 | \$ 54,567,657 | \$ 60,744,523 | \$ 37,248,825 | \$ 40,851,409 | \$ 48,420,436 |
| District's Covered Employee Payroll                      | \$ 15,965,470 | \$ 15,595,622 | \$ 14,718,281 | \$ 14,606,461 | \$ 13,954,178 | \$ 13,569,698 | \$ 13,779,985 | \$ 14,570,311 |
| District's Net OPEB Liability as a Percentage of Payroll | 343%          | 309%          | 317%          | 374%          | 435%          | 275%          | 296%          | 332%          |

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

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

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**  
**YEAR ENDED JUNE 30, 2025**

**Public Employees' Retirement System (PERS)**

***Changes in Benefit Terms***

None.

***Changes in Assumptions***

The discount rate used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2024        | 7.00%       | 2021        | 7.00%       | 2018        | 5.66%       | 2015        | 4.90%       |
| 2023        | 7.00%       | 2020        | 7.00%       | 2017        | 5.00%       | 2014        | 5.39%       |
| 2022        | 7.00%       | 2019        | 6.28%       | 2016        | 3.98%       |             |             |

The long-term expected rate of return used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2024        | 7.00%       | 2021        | 7.00%       | 2018        | 7.00%       | 2015        | 7.90%       |
| 2023        | 7.00%       | 2020        | 7.00%       | 2017        | 7.00%       | 2014        | 7.90%       |
| 2022        | 7.00%       | 2019        | 7.00%       | 2016        | 7.65%       |             |             |

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**Teachers Pension and Annuity Fund (TPAF)**

***Changes in Benefit Terms***

None.

***Changes in Assumptions***

The discount rate used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2024        | 7.00%       | 2021        | 7.00%       | 2018        | 4.86%       | 2015        | 4.13%       |
| 2023        | 7.00%       | 2020        | 5.40%       | 2017        | 4.25%       | 2014        | 4.68%       |
| 2022        | 7.00%       | 2019        | 5.60%       | 2016        | 3.22%       |             |             |

The long-term expected rate of return used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2024        | 7.00%       | 2021        | 7.00%       | 2018        | 7.00%       | 2015        | 7.90%       |
| 2023        | 7.00%       | 2020        | 7.30%       | 2017        | 7.00%       | 2014        | 7.90%       |
| 2022        | 7.00%       | 2019        | 7.00%       | 2016        | 7.65%       |             |             |

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

***Changes in Benefit Terms***

None.

***Differences Between Expected and Actual Experiences***

The decrease in differences between expected and actual experiences from June 30, 2023 to June 30, 2024 was a result of changes to the census, claims and premiums and claims experience.

***Changes in Assumptions***

The increase in changes in assumptions from June 30, 2023 to June 30, 2024 is a result of a change in the discount rate and trend update.

The discount rate used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 2024        | 3.93%       | 2021        | 2.16%       | 2018        | 3.87%       |
| 2023        | 3.65%       | 2020        | 2.21%       | 2017        | 2.21%       |
| 2022        | 3.54%       | 2019        | 3.50%       | 2016        | 2.85%       |

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2025**

|                                                           | Title I | Title I SIA | Title IIA | Title III | IDEA Part B Basic | ARP - ESSER III | ARP - Summer Learning and Enrichment |
|-----------------------------------------------------------|---------|-------------|-----------|-----------|-------------------|-----------------|--------------------------------------|
| Revenues:                                                 |         |             |           |           |                   |                 |                                      |
| Local Sources                                             | \$ -    | \$ -        | \$ -      | \$ -      | \$ -              | \$ -            | \$ -                                 |
| State Sources                                             | -       | -           | -         | -         | -                 | -               | -                                    |
| Federal Sources                                           | 144,344 | 44,844      | 21,123    | 30,634    | 410,625           | 17,960          | 5,046                                |
| Total Revenues                                            | 144,344 | 44,844      | 21,123    | 30,634    | 410,625           | 17,960          | 5,046                                |
| Expenditures:                                             |         |             |           |           |                   |                 |                                      |
| Instruction:                                              |         |             |           |           |                   |                 |                                      |
| Salaries of Teachers                                      | 57,303  | 4,815       | -         | 23,002    | -                 | -               | 4,687                                |
| Purchased Professional - Educational Services             | -       | -           | -         | -         | 25,000            | -               | -                                    |
| Other Purchased Services (400-500 Series)                 | -       | -           | -         | -         | 299,568           | -               | -                                    |
| General Supplies                                          | 5,870   | -           | -         | -         | -                 | -               | -                                    |
| Textbooks                                                 | -       | -           | -         | -         | -                 | -               | -                                    |
| Other Objects                                             | -       | -           | -         | -         | -                 | -               | -                                    |
| Total Instruction                                         | 63,173  | 4,815       | -         | 23,002    | 324,568           | -               | 4,687                                |
| Support Services:                                         |         |             |           |           |                   |                 |                                      |
| Salaries of Other Professional Staff                      | 8,016   | 29,070      | -         | -         | -                 | -               | -                                    |
| Personal Services - Employee Benefits                     | 4,997   | 2,565       | -         | 1,242     | -                 | -               | 359                                  |
| Purchased Educational Services                            | -       | 8,000       | -         | -         | 86,057            | -               | -                                    |
| Other Purchased Services (400-500 Series)                 | 13,688  | -           | 20,641    | 5,630     | -                 | 17,960          | -                                    |
| Supplies and Materials                                    | 29,459  | 394         | 482       | 760       | -                 | -               | -                                    |
| Other Objects                                             | 25,011  | -           | -         | -         | -                 | -               | -                                    |
| Scholarships Awarded                                      | -       | -           | -         | -         | -                 | -               | -                                    |
| Student Activities                                        | -       | -           | -         | -         | -                 | -               | -                                    |
| Total Support Services                                    | 81,171  | 40,029      | 21,123    | 7,632     | 86,057            | 17,960          | 359                                  |
| Total Expenditures                                        | 144,344 | 44,844      | 21,123    | 30,634    | 410,625           | 17,960          | 5,046                                |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | -       | -           | -         | -         | -                 | -               | -                                    |
| Fund Balance, July 1                                      | -       | -           | -         | -         | -                 | -               | -                                    |
| Fund Balance, June 30                                     | \$ -    | \$ -        | \$ -      | \$ -      | \$ -              | \$ -            | \$ -                                 |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2025**

|                                                              | School Based Youth<br>Services Program |         | Non Public Textbook | Non Public Comp Ed<br>(Ch 192/193) |    | Non Public Nursing | Non Public<br>Technology | Non Public<br>Security |
|--------------------------------------------------------------|----------------------------------------|---------|---------------------|------------------------------------|----|--------------------|--------------------------|------------------------|
| Revenues:                                                    |                                        |         |                     |                                    |    |                    |                          |                        |
| Local Sources                                                | \$                                     | -       | \$                  | -                                  | \$ | -                  | \$                       | -                      |
| State Sources                                                |                                        | 307,265 |                     | 34,303                             |    | 215,184            |                          | 33,758                 |
| Federal Sources                                              |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Total Revenues                                               |                                        | 307,265 |                     | 34,303                             |    | 215,184            |                          | 33,758                 |
| Expenditures:                                                |                                        |         |                     |                                    |    |                    |                          |                        |
| Instruction:                                                 |                                        |         |                     |                                    |    |                    |                          |                        |
| Salaries of Teachers                                         |                                        | 263,100 |                     | -                                  |    | -                  |                          | -                      |
| Purchased Professional - Educational Services                |                                        | -       |                     | -                                  |    | 215,184            |                          | -                      |
| Other Purchased Services (400-500 Series)                    |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| General Supplies                                             |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Textbooks                                                    |                                        | -       |                     | 34,303                             |    | -                  |                          | -                      |
| Other Objects                                                |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Total Instruction                                            |                                        | 263,100 |                     | 34,303                             |    | 215,184            |                          | -                      |
| Support Services:                                            |                                        |         |                     |                                    |    |                    |                          |                        |
| Salaries of Other Professional Staff                         |                                        | 44,165  |                     | -                                  |    | -                  |                          | -                      |
| Personal Services - Employee Benefits                        |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Purchased Educational Services                               |                                        | -       |                     | -                                  |    | 89,569             |                          | 33,758                 |
| Other Purchased Services (400-500 Series)                    |                                        | -       |                     | -                                  |    | -                  |                          | 141,211                |
| Supplies and Materials                                       |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Other Objects                                                |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Scholarships Awarded                                         |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Student Activities                                           |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Total Support Services                                       |                                        | 44,165  |                     | -                                  |    | 89,569             |                          | 33,758                 |
| Total Expenditures                                           |                                        | 307,265 |                     | 34,303                             |    | 215,184            |                          | 33,758                 |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Fund Balance, July 1                                         |                                        | -       |                     | -                                  |    | -                  |                          | -                      |
| Fund Balance, June 30                                        | \$                                     | -       | \$                  | -                                  | \$ | -                  | \$                       | -                      |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2025**

|                                                              | Local Grants | Student Activities | Scholarship  | Totals       |
|--------------------------------------------------------------|--------------|--------------------|--------------|--------------|
| Revenues:                                                    |              |                    |              |              |
| Local Sources                                                | \$ 24,679    | \$ 306,866         | \$ 121,876   | \$ 453,421   |
| State Sources                                                | -            | -                  | -            | 821,290      |
| Federal Sources                                              | -            | -                  | -            | 674,576      |
| Total Revenues                                               | 24,679       | 306,866            | 121,876      | 1,949,287    |
| Expenditures:                                                |              |                    |              |              |
| Instruction:                                                 |              |                    |              |              |
| Salaries of Teachers                                         | -            | -                  | -            | 352,907      |
| Purchased Professional - Educational Services                | -            | -                  | -            | 240,184      |
| Other Purchased Services (400-500 Series)                    | 6,863        | -                  | -            | 306,431      |
| General Supplies                                             | 7,139        | -                  | -            | 13,009       |
| Textbooks                                                    | -            | -                  | -            | 34,303       |
| Other Objects                                                | 5,220        | -                  | -            | 5,220        |
| Total Instruction                                            | 19,222       | -                  | -            | 952,054      |
| Support Services:                                            |              |                    |              |              |
| Salaries of Other Professional Staff                         | -            | -                  | -            | 81,251       |
| Personal Services - Employee Benefits                        | -            | -                  | -            | 9,163        |
| Purchased Educational Services                               | -            | -                  | -            | 217,384      |
| Other Purchased Services (400-500 Series)                    | -            | -                  | -            | 199,130      |
| Supplies and Materials                                       | 5,457        | -                  | -            | 36,552       |
| Other Objects                                                | -            | -                  | -            | 25,011       |
| Scholarships Awarded                                         | -            | -                  | 88,254       | 88,254       |
| Student Activities                                           | -            | 274,912            | -            | 274,912      |
| Total Support Services                                       | 5,457        | 274,912            | 88,254       | 931,657      |
| Total Expenditures                                           | 24,679       | 274,912            | 88,254       | 1,883,711    |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | -            | 31,954             | 33,622       | 65,576       |
| Fund Balance, July 1                                         | -            | 149,382            | 3,249,801    | 3,399,183    |
| Fund Balance, June 30                                        | \$ -         | \$ 181,336         | \$ 3,283,423 | \$ 3,464,759 |

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**F. Capital Projects Fund**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2025**

| <u>Project Title / Issue</u> | <u>Original<br/>Date</u> | <u>Original<br/>Appropriations</u> | <u>Expenditures to Date</u> |                         | <u>Unexpended<br/>Balance<br/>June 30, 2025</u> |
|------------------------------|--------------------------|------------------------------------|-----------------------------|-------------------------|-------------------------------------------------|
|                              |                          |                                    | <u>Prior<br/>Years</u>      | <u>Current<br/>Year</u> |                                                 |
| Referendum Project           | 12/18                    | \$ 24,640,437                      | \$ 20,074,198               | \$ 2,754,359            | \$ 1,811,880                                    |
| HVAC Rooftop Unit            | 9/24                     | 1,716,000                          | -                           | 50,240                  | 1,665,760                                       |
| HVAC Rooftop Unit            | 9/24                     | 3,016,000                          | -                           | 50,240                  | 2,965,760                                       |
| Total                        |                          | \$ 29,372,437                      | \$ 20,074,198               | \$ 2,854,839            | \$ 6,443,400                                    |

**Reconciliation of Fund Balance**

|                                       |              |
|---------------------------------------|--------------|
| Unexpended Project Balances           | \$ 6,443,400 |
| Total Fund Balance (Budgetary Basis)  | 6,443,400    |
| Less: Unexpended State Aid-Rod Grants | (1,852,608)  |
| Total Fund Balance (GAAP Basis)       | \$ 4,590,792 |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2025**

|                                                     |              |
|-----------------------------------------------------|--------------|
| Revenues and Other Financing Sources:               |              |
| Transfer from Capital Reserve                       | \$ 2,839,200 |
| SDA Grant                                           | 1,892,800    |
|                                                     | <hr/>        |
| Total Revenues and Other Financing Sources          | 4,732,000    |
|                                                     | <hr/>        |
| Expenditures and Other Financing Uses:              |              |
| Other Purchased Professional and Technical Services | \$ 225,652   |
| Construction Services                               | 1,631,761    |
| Furniture and Equipment                             | 142,655      |
| Transfer to Capital Reserve                         | 854,771      |
|                                                     | <hr/>        |
| Total Expenditures and Other Financing Uses         | 2,854,839    |
|                                                     | <hr/>        |
| Fund Balance, July 1                                | 4,566,239    |
|                                                     | <hr/>        |
| Fund Balance, June 30                               | \$ 6,443,400 |
|                                                     | <hr/> <hr/>  |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
REFERENDUM PROJECT  
YEAR ENDED JUNE 30, 2025**

|                                                                                                                   | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|-------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|---------------|----------------------------------------|
| Revenues and Other Financing Sources:                                                                             |                    |                     |               |                                        |
| Bond Proceeds                                                                                                     | \$ 19,450,000      | \$ -                | \$ 19,450,000 | \$ 19,450,000                          |
| Bond Premium                                                                                                      | 2,768,200          | -                   | 2,768,200     | 2,768,200                              |
| Transfer from Capital Reserve                                                                                     | 2,422,237          | -                   | 2,422,237     | 2,422,237                              |
| Total Revenues and Other Financing Sources                                                                        | 24,640,437         | -                   | 24,640,437    | 24,640,437                             |
| Expenditures and Other Financing Uses:                                                                            |                    |                     |               |                                        |
| Other Purchased Professional and Technical Services                                                               | 2,632,950          | 125,172             | 2,758,122     | 2,780,000                              |
| Construction Services                                                                                             | 17,035,272         | 1,631,761           | 18,667,033    | 20,649,795                             |
| Furniture and Equipment                                                                                           | 405,976            | 142,655             | 548,631       | 355,871                                |
| Transfer to Capital Reserve                                                                                       | -                  | 854,771             | 854,771       | 854,771                                |
| Total Expenditures and Other Financing Uses                                                                       | 20,074,198         | 2,754,359           | 22,828,557    | 24,640,437                             |
| Excess (Deficiency) of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Financing Uses | \$ 4,566,239       | \$ (2,754,359)      | \$ 1,811,880  | \$ -                                   |

## Additional Project Information:

Name of Project:  
Referendum Project

|                                                   |               |
|---------------------------------------------------|---------------|
| Bond Authorization Date                           | 12/10/2018    |
| Bonds Authorized                                  | \$ 22,218,200 |
| Bonds Issued                                      | 19,450,000    |
| Original Authorized Cost                          | 22,218,200    |
| Additional Authorized Cost                        | 2,422,237     |
| Revised Authorized Cost                           | 24,640,437    |
| Percentage Increase over Original Authorized Cost | 0.00%         |
| Percentage Completion                             | 92.65%        |
| Original Target Completion Date                   | 6/30/2022     |
| Revised Target Completion Date                    | 6/30/2025     |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HVAC ROOFTOP UNIT  
YEAR ENDED JUNE 30, 2025**

|                                                                                                                   | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|-------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|---------------|----------------------------------------|
| Revenues and Other Financing Sources:                                                                             |                    |                     |               |                                        |
| State Sources - SDA Grant                                                                                         | \$ -               | \$ 686,400          | \$ 686,400    | \$ 686,400                             |
| Transfer from Capital Reserve                                                                                     | -                  | 1,029,600           | 1,029,600     | 1,029,600                              |
| Total Revenues and Other Financing Sources                                                                        | -                  | 1,716,000           | 1,716,000     | 1,716,000                              |
| Expenditures and Other Financing Uses:                                                                            |                    |                     |               |                                        |
| Other Purchased Professional and Technical Services                                                               | -                  | 50,240              | 50,240        | 1,716,000                              |
| Total Expenditures and Other Financing Uses                                                                       | -                  | 50,240              | 50,240        | 1,716,000                              |
| Excess (Deficiency) of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Financing Uses | \$ -               | \$ 1,665,760        | \$ 1,665,760  | \$ -                                   |

## Additional Project Information:

Name of Project:  
HVAC Rooftop Unit

|                                                   |                  |
|---------------------------------------------------|------------------|
| Project Number                                    | 4365-050-23-G5ZH |
| Grant Date                                        | 9/18/2024        |
| Original Authorized Cost                          | \$ 1,716,000     |
| Additional Authorized Cost                        | -                |
| Percentage Increase over Original Authorized Cost | 0.00%            |
| Percentage Completion                             | 2.93%            |
| Original Target Completion Date                   | 6/30/2026        |
| Revised Target Completion Date                    | N/A              |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HVAC ROOFTOP UNIT  
YEAR ENDED JUNE 30, 2025**

|                                                                                                                   | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|-------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|---------------|----------------------------------------|
| Revenues and Other Financing Sources:                                                                             |                    |                     |               |                                        |
| State Sources -- SDA Grant                                                                                        | \$ -               | \$ 1,206,400        | \$ 1,206,400  | \$ 1,206,400                           |
| Transfer from Capital Reserve                                                                                     | -                  | 1,809,600           | 1,809,600     | 1,809,600                              |
| Total Revenues and Other Financing Sources                                                                        | -                  | 3,016,000           | 3,016,000     | 3,016,000                              |
| Expenditures and Other Financing Uses:                                                                            |                    |                     |               |                                        |
| Other Purchased Professional and Technical Services                                                               | -                  | 50,240              | 50,240        | 3,016,000                              |
| Total Expenditures and Other Financing Uses                                                                       | -                  | 50,240              | 50,240        | 3,016,000                              |
| Excess (Deficiency) of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Financing Uses | \$ -               | \$ 2,965,760        | \$ 2,965,760  | \$ -                                   |

## Additional Project Information:

|                                                   |                  |
|---------------------------------------------------|------------------|
| <u>Name of Project:</u>                           |                  |
| <u>HVAC Rooftop Unit</u>                          |                  |
| Project Number                                    | 4365-050-23-G5ZI |
| Grant Date                                        | 9/18/2024        |
| Original Authorized Cost                          | 3,016,000        |
| Additional Authorized Cost                        | -                |
| Percentage Increase over Original Authorized Cost | 0.00%            |
| Percentage Completion                             | 1.67%            |
| Original Target Completion Date                   | 6/30/2026        |
| Revised Target Completion Date                    | Not Applicable   |

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#### **H. Fiduciary Fund**

Not Applicable

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## **I. Long-Term Debt**

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RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2025

| ISSUE      | DATE OF<br>ISSUE | AMOUNT<br>OF<br>ISSUE | ANNUAL MATURITIES |            | INTEREST<br>RATE | BALANCE<br>JUNE 30,<br>2024 | RETIRED    | BALANCE<br>JUNE 30,<br>2025 |
|------------|------------------|-----------------------|-------------------|------------|------------------|-----------------------------|------------|-----------------------------|
|            |                  |                       | DATE              | AMOUNT     |                  |                             |            |                             |
| MCIA Bonds | 7/23/2019        | \$ 19,450,000         | 8/1/2025          | \$ 835,000 | 4.00%            | \$ 17,280,000               | \$ 800,000 | \$ 16,480,000               |
|            |                  |                       | 8/1/2026          | 865,000    | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2027          | 900,000    | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2028          | 940,000    | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2029          | 980,000    | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2030          | 1,020,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2031          | 1,060,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2032          | 1,100,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2033          | 1,145,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2034          | 1,195,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2035          | 1,245,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2036          | 1,295,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2037          | 1,300,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2038          | 1,300,000  | 4.00%            |                             |            |                             |
|            |                  |                       | 8/1/2039          | 1,300,000  | 4.00%            |                             |            |                             |
| Total      |                  |                       |                   |            |                  | \$ 17,280,000               | \$ 800,000 | \$ 16,480,000               |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2025**

|                                                              | JUNE 30, 2025      |                     |                 |              | VARIANCE<br>FINAL TO<br>ACTUAL |
|--------------------------------------------------------------|--------------------|---------------------|-----------------|--------------|--------------------------------|
|                                                              | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET | ACTUAL       |                                |
| Revenues:                                                    |                    |                     |                 |              |                                |
| Local Sources:                                               |                    |                     |                 |              |                                |
| Local Tax Levy                                               | \$ 1,149,120       | \$ -                | \$ 1,149,120    | \$ 1,149,120 | \$ -                           |
| State Sources:                                               |                    |                     |                 |              |                                |
| Debt Service Aid Type II                                     | 326,080            | -                   | 326,080         | 326,080      | -                              |
| Total Revenues                                               | 1,475,200          | -                   | 1,475,200       | 1,475,200    | -                              |
| Expenditures:                                                |                    |                     |                 |              |                                |
| Regular Debt Service:                                        |                    |                     |                 |              |                                |
| Interest                                                     | 675,200            | -                   | 675,200         | 675,200      | -                              |
| Redemption of Principal                                      | 800,000            | -                   | 800,000         | 800,000      | -                              |
| Total Regular Debt Service                                   | 1,475,200          | -                   | 1,475,200       | 1,475,200    | -                              |
| Total Expenditures                                           | 1,475,200          | -                   | 1,475,200       | 1,475,200    | -                              |
| Excess/(Deficiency) of Revenues Over/(Under)<br>Expenditures | -                  | -                   | -               | -            | -                              |
| Fund Balance, July 1,                                        | -                  | -                   | -               | -            | -                              |
| Fund Balance, June 30,                                       | \$ -               | \$ -                | \$ -            | \$ -         | \$ -                           |

**STATISTICAL SECTION (Unaudited)**

Third Section

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|                                     |
|-------------------------------------|
| <b>Financial Trends Information</b> |
|-------------------------------------|

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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## RED BANK REGIONAL HIGH SCHOOL DISTRICT

## NET POSITION BY COMPONENT

## LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

Unaudited

|                                  | 2025          | **2024        | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| FISCAL YEAR ENDING JUNE 30,      |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities:         |               |               |               |               |               |               |               |               |               |               |
| Net Investment in                |               |               |               |               |               |               |               |               |               |               |
| Capital Assets                   | \$ 18,918,277 | \$ 17,115,584 | \$ 15,858,047 | \$ 15,177,573 | \$ 12,917,839 | \$ 3,623,786  | \$ 15,478,259 | \$ 15,424,949 | \$ 19,769,777 | \$ 20,086,797 |
| Restricted                       | 16,114,028    | 16,487,415    | 15,987,891    | 14,741,679    | 14,159,235    | 17,127,737    | 3,224,988     | 2,446,700     | 2,845,387     | 3,261,391     |
| Unrestricted (Deficit)           | (5,444,163)   | (1,543,162)   | (2,334,996)   | (2,998,422)   | (4,850,053)   | (6,708,956)   | (9,336,976)   | (7,180,845)   | (5,844,800)   | (4,997,176)   |
| Total Governmental Activities    | \$ 29,588,142 | \$ 32,059,837 | \$ 29,510,942 | \$ 26,920,830 | \$ 22,227,022 | \$ 14,042,567 | \$ 9,366,272  | \$ 10,690,804 | \$ 16,770,364 | \$ 18,351,011 |
| Business-Type Activities:        |               |               |               |               |               |               |               |               |               |               |
| Net Investment in Capital Assets | \$ 38,264     | \$ 44,916     | \$ 37,906     | \$ 28,504     | \$ 37,590     | \$ 37,590     | \$ 42,230     | \$ 49,867     | \$ 57,641     | \$ 57,414     |
| Unrestricted (Deficit)           | 155,137       | 159,943       | 165,295       | 158,041       | 121,018       | 121,018       | 124,684       | 100,822       | 75,793        | 69,096        |
| Total Business-Type Activities   | \$ 193,401    | \$ 204,859    | \$ 203,201    | \$ 186,545    | \$ 158,608    | \$ 158,608    | \$ 166,915    | \$ 150,688    | \$ 133,434    | \$ 126,510    |
| District-Wide:                   |               |               |               |               |               |               |               |               |               |               |
| Net Investment in Capital Assets | \$ 18,956,541 | \$ 17,160,500 | \$ 15,895,953 | \$ 15,206,077 | \$ 3,661,376  | \$ 3,661,376  | \$ 15,520,490 | \$ 15,474,816 | \$ 19,827,418 | \$ 20,144,211 |
| Restricted                       | 16,114,028    | 16,487,415    | 15,987,891    | 14,741,679    | 17,127,737    | 17,127,737    | 3,224,988     | 2,446,700     | 2,845,387     | 3,261,391     |
| Unrestricted (Deficit)           | (5,289,026)   | (1,383,219)   | (2,169,701)   | (2,840,381)   | (6,587,938)   | (6,587,938)   | (9,212,292)   | (7,080,023)   | (5,769,007)   | (4,928,080)   |
| Total District Net Position*     | \$ 29,781,543 | \$ 32,264,696 | \$ 29,714,143 | \$ 27,107,375 | \$ 14,201,175 | \$ 14,201,175 | \$ 9,533,186  | \$ 10,841,493 | \$ 16,903,798 | \$ 18,477,522 |

Source: ACFR Schedule A-1

\*\*For the year ended June 30, 2024, net position was restated due to GASB 101.

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

|                                        | 2025          | 2024          | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          |
|----------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expenses:                              |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities                |               |               |               |               |               |               |               |               |               |               |
| Instruction:                           |               |               |               |               |               |               |               |               |               |               |
| Regular                                | \$ 19,334,917 | \$ 19,077,981 | \$ 18,815,639 | \$ 16,642,991 | \$ 17,968,577 | \$ 15,733,133 | \$ 16,304,411 | \$ 19,536,843 | \$ 9,224,368  | \$ 8,835,060  |
| Special Education                      | 2,956,982     | 2,817,638     | 2,350,087     | 2,433,178     | 2,931,679     | 2,216,096     | 2,282,053     | 2,619,270     | 1,137,004     | 1,117,448     |
| Other Special Education                | -             | -             | -             | -             | -             | -             | -             | -             | 546,776       | 488,289       |
| Other Instruction                      | 2,637,647     | 2,539,134     | 2,426,549     | 2,375,049     | 2,251,764     | 2,153,434     | 2,606,309     | 3,427,538     | 1,146,733     | 1,101,035     |
| Support Services:                      |               |               |               |               |               |               |               |               |               |               |
| Tuition                                | 3,121,624     | 2,560,550     | 2,081,646     | 1,591,406     | 2,190,305     | 2,293,617     | 2,037,305     | 2,084,162     | 1,486,420     | 1,426,192     |
| Student & Instruction Related Services | 5,419,926     | 5,352,119     | 4,846,148     | 4,383,917     | 3,894,510     | 4,146,221     | 4,197,021     | 4,672,456     | 3,223,694     | 3,026,829     |
| General Administrative Services        | 808,870       | 971,034       | 875,171       | 798,381       | 787,610       | 839,924       | 988,993       | 1,056,441     | 741,732       | 687,601       |
| Central Services                       | 765,866       | 743,226       | 694,759       | 656,844       | 631,132       | 685,448       | 974,362       | 672,094       | 480,463       | 465,070       |
| Administration Information Technology  | 349,664       | 313,183       | 298,208       | 258,869       | 288,771       | 267,721       | 258,676       | 281,553       | 157,281       | 128,189       |
| School Administrative Services         | 842,986       | 817,259       | 817,382       | 710,698       | 769,366       | 806,641       | 804,394       | 870,359       | 630,393       | 632,506       |
| Plant Operations & Maintenance         | 4,449,169     | 3,924,469     | 3,947,145     | 3,210,789     | 2,657,062     | 2,327,110     | 2,738,733     | 4,126,235     | 2,766,290     | 2,532,974     |
| Pupil Transportation                   | 2,960,919     | 2,895,339     | 2,716,444     | 2,197,662     | 1,371,935     | 1,486,415     | 2,165,829     | 2,469,320     | 1,720,108     | 1,509,275     |
| Unallocated Benefits                   | -             | -             | -             | -             | -             | -             | -             | -             | 7,617,714     | 7,221,990     |
| Interest & Other Charges               | 700,930       | 732,200       | 755,997       | 796,036       | 903,576       | 726,937       | 155,933       | 170,047       | 195,866       | 228,500       |
| Unallocated Depreciation               | -             | -             | -             | -             | -             | -             | -             | -             | 1,116,630     | 1,104,273     |
| Total Governmental Activities          | 44,349,499    | 42,744,132    | 40,625,175    | 36,055,820    | 36,646,287    | 33,682,697    | 35,514,020    | 41,986,318    | 32,191,472    | 30,505,229    |
| Expenses                               |               |               |               |               |               |               |               |               |               |               |
| Business-Type Activities:              |               |               |               |               |               |               |               |               |               |               |
| Food Service                           | 523,214       | 512,503       | 534,426       | 536,720       | 337,617       | 337,617       | 425,803       | 407,711       | 425,248       | 436,690       |
| Total Business-Type Activities         | 523,214       | 512,503       | 534,426       | 536,720       | 337,617       | 337,617       | 425,803       | 407,711       | 425,248       | 436,690       |
| Expense                                |               |               |               |               |               |               |               |               |               |               |
| Total District Expenses                | \$ 44,872,713 | \$ 43,256,635 | \$ 41,159,601 | \$ 36,592,540 | \$ 36,983,904 | \$ 34,020,314 | \$ 35,939,823 | \$ 42,394,029 | \$ 32,616,720 | \$ 30,941,919 |
| Program Revenues:                      |               |               |               |               |               |               |               |               |               |               |
| Charges for Services                   | \$ 3,208,881  | \$ 3,219,818  | \$ 3,461,172  | \$ 3,427,621  | \$ -          | \$ -          | \$ -          | \$ -          | \$ 3,354,924  | \$ 3,717,747  |
| Instruction (Tuition)                  | -             | -             | -             | -             | -             | -             | -             | -             | 101,329       | 172,391       |
| Pupil Transportation                   | -             | -             | -             | -             | -             | -             | -             | -             | 240,664       | 3,455,440     |
| Operating Grants & Contributions       | 10,275,070    | 10,163,848    | 9,911,151     | 7,897,230     | 6,659,260     | 6,659,260     | 7,464,893     | 9,618,717     | -             | -             |
| Total Governmental Activities          | 13,483,951    | 13,383,666    | 13,372,323    | 11,324,851    | 6,659,260     | 6,659,260     | 3,696,917     | 7,345,579     | 8,663,517     | 6,042,327     |
| Program Revenues                       |               |               |               |               |               |               |               |               |               |               |
| Business-Type Activities:              |               |               |               |               |               |               |               |               |               |               |
| Charges for Services:                  |               |               |               |               |               |               |               |               |               |               |
| Food Service                           | 265,689       | 268,149       | 265,993       | 135,466       | 211,590       | 211,590       | 281,320       | 281,352       | 279,743       | 298,332       |
| Operating Grants & Contributions       | 241,030       | 246,012       | 285,089       | 437,597       | 117,719       | 117,719       | 160,710       | 143,613       | 152,429       | 156,151       |
| Miscellaneous                          | 5,037         | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Total Business Type Activities         | 511,756       | 514,161       | 551,082       | 573,063       | 329,310       | 329,310       | 442,030       | 424,965       | 432,172       | 454,483       |
| Program Revenues                       |               |               |               |               |               |               |               |               |               |               |
| Total District Program Revenues        | \$ 13,995,707 | \$ 13,897,827 | \$ 13,923,405 | \$ 11,897,914 | \$ 6,988,569  | \$ 6,988,569  | \$ 4,138,946  | \$ 7,770,544  | \$ 9,095,689  | \$ 6,496,810  |

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

|                                                   | 2025            | 2024            | 2023            | 2022            | 2021            | 2020            | 2019            | 2018            | 2017            | 2016            |
|---------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net (Expense)/Revenue:                            |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental Activities                           | \$ (30,865,548) | \$ (29,360,466) | \$ (27,252,852) | \$ (24,730,969) | \$ (29,987,028) | \$ (27,023,438) | \$ (31,817,103) | \$ (34,640,740) | \$ (23,527,955) | \$ (24,462,902) |
| Business-Type Activities                          | (11,458)        | 1,658           | 16,656          | 36,343          | (8,307)         | (8,307)         | 16,226          | 17,255          | 6,924           | 17,793          |
| Total District-Wide Net Expense                   | \$ (30,877,006) | \$ (29,358,808) | \$ (27,236,196) | \$ (24,694,626) | \$ (29,995,334) | \$ (27,031,745) | \$ (31,800,877) | \$ (34,623,485) | \$ (23,521,031) | \$ (24,445,109) |
| General Revenues & Other Changes in Net Position: |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental Activities:                          |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Property Taxes Levied for General Purposes, Net   | \$ 27,472,836   | \$ 26,766,799   | \$ 25,645,688   | \$ 25,142,831   | \$ 23,358,585   | \$ 23,358,585   | \$ 21,924,781   | \$ 21,421,835   | \$ 21,001,800   | \$ 20,590,000   |
| Taxes Levied for Debt Service                     | 1,149,120       | 1,151,164       | 1,143,558       | 1,686,909       | 741,055         | 741,055         | 742,532         | 757,245         | 748,693         | 747,599         |
| Grants & Contributions                            | 3,557,389       | 3,094,280       | 2,376,868       | 2,264,811       | 1,401,924       | 1,401,924       | 1,330,650       | 1,156,023       | -               | -               |
| Unrestricted Grants and Contributions             | -               | -               | -               | -               | -               | -               | -               | -               | 5,071,948       | 2,222,409       |
| Tuition Received                                  | -               | -               | -               | -               | 3,145,744       | 3,145,744       | 2,564,030       | 2,826,189       | -               | -               |
| Miscellaneous Income                              | 930,014         | 897,118         | 676,849         | 330,228         | 3,052,425       | 3,052,425       | 162,601         | 126,750         | 91,467          | 112,712         |
| Total Governmental Activities                     | 33,109,359      | 31,909,361      | 29,842,963      | 29,424,779      | 31,699,733      | 31,699,733      | 26,724,594      | 26,288,042      | 26,913,908      | 23,672,720      |
| Total District-Wide                               | \$ 33,109,359   | \$ 31,909,361   | \$ 29,842,963   | \$ 29,424,779   | \$ 31,699,733   | \$ 31,699,733   | \$ 26,724,594   | \$ 26,288,042   | \$ 26,913,908   | \$ 23,672,720   |
| Change in Net Position:                           |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental Activities                           | \$ 2,243,811    | \$ 2,548,895    | \$ 2,591,112    | \$ 4,693,810    | \$ 1,712,705    | \$ 4,676,295    | \$ (5,092,509)  | \$ (8,352,698)  | \$ 3,385,953    | \$ (790,181)    |
| Business-Type Activities                          | (11,458)        | 1,658           | 16,656          | 36,343          | (8,307)         | (8,307)         | 16,226          | 17,255          | 6,924           | 17,793          |
| Total District                                    | \$ 2,232,353    | \$ 2,550,553    | \$ 2,607,768    | \$ 4,730,153    | \$ 1,704,398    | \$ 4,667,988    | \$ (5,076,283)  | \$ (8,335,444)  | \$ 3,392,877    | \$ (772,388)    |

Source: ACFR Schedule A-2

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
*Unaudited*

|                                    |    | 2025       | 2024          | 2023          | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         |
|------------------------------------|----|------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>FISCAL YEAR ENDING JUNE 30,</b> |    |            |               |               |              |              |              |              |              |              |              |
| General Fund:                      |    |            |               |               |              |              |              |              |              |              |              |
| Restricted                         | \$ | 9,862,104  | \$ 10,436,987 | \$ 10,196,726 | \$ 7,738,461 | \$ 5,256,991 | \$ 2,269,127 | \$ 1,275,979 | \$ 2,417,563 | \$ 2,824,135 | \$ 3,308,858 |
| Assigned                           |    | 1,740,966  | 1,179,143     | 1,923,711     | 2,589,454    | 2,129,868    | 1,222,197    | 35,889       | 271,236      | 782,445      | 681,900      |
| Unassigned                         |    | 1,091,024  | 1,115,089     | 908,267       | 1,159,774    | 1,109,651    | 596,982      | 118,737      | 7,899        | 606,562      | 556,004      |
| Total General Fund                 | \$ | 12,694,094 | 12,731,219    | 13,028,704    | 11,487,689   | 8,496,510    | 4,088,306    | 1,430,605    | 2,696,699    | 4,213,142    | 4,546,762    |
| All Other Governmental Funds:      |    |            |               |               |              |              |              |              |              |              |              |
| Restricted                         |    |            |               |               |              |              |              |              |              |              |              |
| Debt Service Fund                  | \$ | -          | -             | \$ 1          | 4,901        | 4,901        | 1            | 1            | 1            | 1            | 1            |
| Capital Projects Fund              |    | 2,787,165  | 2,651,245     | 3,609,533     | 4,036,064    | 5,535,951    | 14,858,609   | 1,949,009    | 29,136       | 21,250       | 21,250       |
| Special Revenue Fund               |    | 3,464,759  | 3,399,183     | 3,370,198     | 3,364,117    | 3,361,393    | -            | -            | -            | -            | -            |
| Assigned                           |    | -          | -             | -             | -            | -            | -            | -            | -            | 656,212      | -            |
| Committed to:                      |    |            |               |               |              |              |              |              |              |              |              |
| Other Purposes:                    |    | 1,803,627  | 1,914,994     | -             | -            | -            | -            | -            | -            | -            | -            |
| Total All Other Governmental Funds | \$ | 8,055,551  | 7,965,422     | 6,979,732     | 7,405,082    | 8,902,245    | 14,858,610   | 1,949,010    | 29,137       | 677,464      | 21,251       |

Source: ACFR Schedule B-1

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
*Unaudited*

|                                                         | <u>2025</u>       | <u>2024</u>       | <u>2023</u>         | <u>2022</u>         | <u>2021</u>           | <u>2020</u>          | <u>2019</u>       | <u>2018</u>           | <u>2017</u>         | <u>2016</u>           |
|---------------------------------------------------------|-------------------|-------------------|---------------------|---------------------|-----------------------|----------------------|-------------------|-----------------------|---------------------|-----------------------|
| <b>Revenues</b>                                         |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Tax Levy                                                | \$ 28,621,956     | \$ 27,917,963     | \$ 26,789,246       | \$ 26,829,740       | \$ 26,229,954         | \$ 24,099,640        | \$ 22,667,313     | \$ 22,179,080         | \$ 21,750,493       | \$ 21,337,599         |
| Tuition Charges                                         | 3,100,599         | 3,113,564         | 3,315,257           | 3,236,490           | 3,324,396             | 3,145,744            | 2,564,030         | 2,826,189             | 3,357,924           | 3,717,747             |
| Transportation Fees                                     | 108,282           | 106,254           | 145,915             | 191,131             | 96,346                | 245,945              | 87,044            | 83,002                | 101,329             | 172,391               |
| Miscellaneous                                           | 954,693           | 972,225           | 693,645             | 380,488             | 253,118               | 50,033               | 103,277           | 55,910                | 91,467              | 112,712               |
| State Sources                                           | 10,658,399        | 10,481,100        | 9,387,597           | 8,957,482           | 7,389,205             | 6,128,074            | 5,699,654         | 5,010,759             | 4,710,899           | 4,363,013             |
| Federal Sources                                         | 1,112,525         | 1,154,950         | 1,086,261           | 980,382             | 689,358               | 464,898              | 520,322           | 570,640               | 601,712             | 533,443               |
| <b>Total Revenues</b>                                   | <b>44,556,454</b> | <b>43,746,056</b> | <b>41,417,921</b>   | <b>40,575,713</b>   | <b>37,982,377</b>     | <b>34,134,334</b>    | <b>31,641,640</b> | <b>30,725,580</b>     | <b>30,613,824</b>   | <b>30,236,905</b>     |
| <b>Expenditures</b>                                     |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Instruction:                                            |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Regular Instruction                                     | 10,912,988        | 10,988,954        | 11,078,712          | 10,288,287          | 9,549,496             | 9,342,697            | 9,149,682         | 9,335,215             | 9,224,368           | 8,835,060             |
| Special Education Instruction                           | 1,668,976         | 1,622,965         | 1,383,739           | 1,504,131           | 1,558,056             | 1,315,969            | 1,280,638         | 1,251,556             | 1,137,004           | 1,117,448             |
| Other Special Instruction                               |                   |                   |                     |                     |                       |                      |                   |                       | 546,776             | 488,289               |
| Other Instruction                                       | 1,488,737         | 1,462,546         | 1,428,760           | 1,468,197           | 1,196,712             | 1,278,759            | 1,462,604         | 1,637,767             | 1,146,733           | 1,101,035             |
| Support Services:                                       |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Tuition                                                 |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Attendance & Social Work Services                       | 2,411,594         | 2,040,120         | 1,666,375           | 1,381,699           | 1,814,190             | 1,860,864            | 1,627,597         | 1,483,106             | 1,486,420           | 1,426,192             |
| Health Services                                         | 377,910           | 428,377           | 366,015             | 412,698             | 385,351               | 389,149              | 386,938           | 373,394               | -                   | -                     |
| Student & Instruction Related Services                  | 248,146           | 278,634           | 131,730             | 151,299             | 139,180               | 182,685              | 179,598           | 121,511               | -                   | -                     |
| Other Administrative Services                           | 3,561,079         | 3,557,294         | 3,381,637           | 3,242,231           | 2,701,222             | 2,792,089            | 2,786,452         | 2,830,050             | 3,223,694           | 3,026,829             |
| Central Services                                        | 624,888           | 773,672           | 700,582             | 693,175             | 652,363               | 681,449              | 790,104           | 751,772               | 741,732             | 687,601               |
| Administration Information                              | 591,666           | 592,166           | 556,160             | 570,289             | 522,756               | 534,852              | 538,730           | 459,532               | 480,463             | 465,070               |
| Technology Services                                     | 270,131           | 249,528           | 238,718             | 224,757             | 239,184               | 217,208              | 206,656           | 200,355               | 157,281             | 128,189               |
| School Administrative Services                          | 651,244           | 651,152           | 654,321             | 617,046             | 637,252               | 654,446              | 642,628           | 619,354               | 630,393             | 632,506               |
| Plant Operations & Maintenance                          | 3,437,182         | 3,126,824         | 3,159,722           | 2,787,689           | 2,283,603             | 1,966,884            | 2,270,127         | 2,936,260             | 2,766,290           | 2,532,974             |
| Pupil Transportation                                    | 2,392,368         | 2,409,671         | 2,174,536           | 1,908,066           | 1,136,349             | 1,205,962            | 1,730,275         | 1,757,187             | 1,720,108           | 1,509,275             |
| Unallocated Benefits                                    | 11,859,640        | 11,496,474        | 10,639,183          | 9,856,481           | 8,886,874             | 8,265,932            | 8,160,289         | 7,481,164             | 6,670,816           | 6,119,795             |
| Business and Other Support Services:                    |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Capital Outlay                                          | 2,492,638         | 1,862,586         | 1,228,652           | 1,939,340           | 9,298,465             | 7,616,170            | 993,946           | 199,608               | 263,673             | 2,460,919             |
| Debt Service:                                           |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Principal                                               | 800,000           | 775,000           | 745,000             | 1,215,000           | 675,000               | 650,000              | 620,000           | 610,000               | 575,000             | 550,000               |
| Interest & Other Charges                                | 714,263           | 741,888           | 768,413             | 821,313             | 1,234,264             | 130,118              | 161,596           | 186,308               | 173,693             | 197,600               |
| <b>Total Expenditures</b>                               | <b>44,503,450</b> | <b>43,057,851</b> | <b>40,302,255</b>   | <b>39,081,698</b>   | <b>42,910,317</b>     | <b>39,085,234</b>    | <b>32,987,860</b> | <b>32,234,138</b>     | <b>30,944,444</b>   | <b>31,278,780</b>     |
| Other Financing Sources/(Uses):                         |                   |                   |                     |                     |                       |                      |                   |                       |                     |                       |
| Financed Purchases (Non-budgeted)                       | -                 | -                 | -                   | -                   | -                     | 2,768,200            | 300,000           | -                     | -                   | -                     |
| Proceeds on Bonds                                       | -                 | -                 | -                   | -                   | -                     | 19,450,000           | -                 | -                     | -                   | -                     |
| Proceeds of Bond Anticipation Notes                     | -                 | -                 | -                   | -                   | -                     | (1,700,000)          | 1,700,000         | -                     | -                   | -                     |
| Transfers in                                            | 3,693,971         | 2,422,237         | -                   | -                   | 87,067                | 29,136               | 800,000           | -                     | -                   | -                     |
| Transfers Out                                           | (3,693,971)       | (2,422,237)       | -                   | -                   | (122,359)             | (29,136)             | (800,000)         | -                     | -                   | -                     |
| <b>Total Other Financing Sources/(Uses)</b>             | <b>-</b>          | <b>-</b>          | <b>-</b>            | <b>-</b>            | <b>(35,292)</b>       | <b>20,518,200</b>    | <b>2,000,000</b>  | <b>-</b>              | <b>-</b>            | <b>-</b>              |
| <b>Net Change in Fund Balances</b>                      | <b>\$ 53,004</b>  | <b>\$ 688,205</b> | <b>\$ 1,115,666</b> | <b>\$ 1,494,015</b> | <b>\$ (4,963,232)</b> | <b>\$ 15,567,301</b> | <b>\$ 653,779</b> | <b>\$ (1,508,559)</b> | <b>\$ (330,619)</b> | <b>\$ (1,041,875)</b> |
| Debt Service as a Percentage of Noncapital Expenditures | 3.52%             | 3.65%             | 3.90%               | 5.50%               | 4.66%                 | 2.04%                | 2.43%             | 2.53%                 | 2.48%               | 2.45%                 |

Source: ACFR Schedule B-2

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

| FISCAL<br>YEAR ENDING<br>JUNE 30, | RENTALS  | INTEREST<br>ON MAINTENANCE<br>RESERVE | INTEREST<br>ON CAPITAL<br>RESERVE | INTEREST<br>ON UNEMPLOYMENT<br>RESERVE | TUITION<br>OTHER | TRANSPORTATION<br>FEES | MISCELLANEOUS | TOTAL        |
|-----------------------------------|----------|---------------------------------------|-----------------------------------|----------------------------------------|------------------|------------------------|---------------|--------------|
| 2025                              | \$ 4,820 | \$ 49,269                             | \$ 146,533                        | \$ 2,621                               | \$ 3,100,599     | \$ 108,282             | \$ 298,029    | \$ 3,710,153 |
| 2024                              | 5,896    | 54,729                                | 158,834                           | 3,664                                  | 3,113,564        | 106,254                | 326,699       | 3,769,640    |
| 2023                              | 1,374    | -                                     | 103,867                           | -                                      | 3,315,257        | 145,915                | 259,618       | 3,826,031    |
| 2022                              | 550      | -                                     | -                                 | -                                      | 3,236,490        | 191,131                | 44,364        | 3,472,535    |
| 2021                              | 1,202    | -                                     | -                                 | -                                      | 3,324,396        | 96,346                 | 60,510        | 3,482,454    |
| 2020                              | 5,989    | -                                     | -                                 | -                                      | 3,145,744        | 84,446                 | 193,790       | 3,429,969    |
| 2019                              | 24,448   | -                                     | -                                 | -                                      | 2,564,030        | -                      | 138,153       | 2,726,631    |
| 2018                              | 4,078    | -                                     | 12,464                            | -                                      | 2,826,189        | 83,002                 | 27,207        | 2,952,939    |
| 2017                              | 5,160    | -                                     | -                                 | -                                      | 3,364,042        | 92,210                 | 45,352        | 3,506,764    |
| 2016                              | 1,803    | -                                     | -                                 | -                                      | 3,717,747        | 172,391                | 37,672        | 3,929,614    |

Source: District Records

|                                     |
|-------------------------------------|
| <b>Revenue Capacity Information</b> |
|-------------------------------------|

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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**RED BANK BOROUGH**

| Year<br>Ending December 31, | Vacant Land |    |               |   | Residential | Farm Reg. | Qfarm | Commercial  |    | Industrial | Apartment |             |
|-----------------------------|-------------|----|---------------|---|-------------|-----------|-------|-------------|----|------------|-----------|-------------|
|                             | \$          |    |               |   |             |           |       | \$          | \$ |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
| 2016                        | 15,255,500  | \$ | 1,200,435,700 | - | -           | -         | -     | 651,025,800 | \$ | 28,665,200 | \$        | 175,123,800 |
| 2017                        | 15,285,900  |    | 1,223,134,500 | - | -           | -         | -     | 645,228,700 |    | 28,360,900 |           | 202,216,200 |
| 2018                        | 17,859,600  |    | 1,240,059,300 | - | -           | -         | -     | 642,746,900 |    | 25,633,900 |           | 201,964,200 |
| 2019                        | 20,303,100  |    | 1,272,362,000 | - | -           | -         | -     | 695,004,700 |    | 23,570,600 |           | 212,216,000 |
| 2020                        | 20,953,800  |    | 1,293,632,000 | - | -           | -         | -     | 720,612,300 |    | 23,306,000 |           | 214,324,300 |
| 2021                        | 22,777,000  |    | 1,376,161,600 | - | -           | -         | -     | 731,620,000 |    | 23,495,700 |           | 219,568,900 |
| 2022                        | 24,628,300  |    | 1,592,880,200 | - | -           | -         | -     | 783,967,900 |    | 25,635,300 |           | 226,342,700 |
| 2023                        | 19,889,700  |    | 1,708,715,500 | - | -           | -         | -     | 863,457,300 |    | 28,759,700 |           | 273,796,100 |
| 2024                        | 23,475,300  |    | 1,823,994,400 | - | -           | -         | -     | 882,396,800 |    | 29,486,500 |           | 276,575,300 |
| 2025                        | 24,797,100  |    | 2,042,162,600 | - | -           | -         | -     | 929,517,600 |    | 31,123,600 |           | 295,848,900 |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           |       |             |    |            |           |             |
|                             |             |    |               |   |             |           | </    |             |    |            |           |             |

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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

Tax rates are per \$100

### Reassessment of property values

At the time of ACFR Completion, this data was not yet available

| Year<br>Ending December 31, | Vacant Land      | Residential      | Farm Reg.    | Qfarm            | Commercial       | Industrial                                | Apartment |
|-----------------------------|------------------|------------------|--------------|------------------|------------------|-------------------------------------------|-----------|
| 2016                        | \$ 9,345,600     | \$ 1,501,675,100 | \$ 4,035,000 | \$ 17,300        | \$ 113,702,100   | -                                         | \$ -      |
| 2017                        | 8,067,100        | 1,535,922,600    | 4,066,300    | 17,300           | 114,869,100      | -                                         | -         |
| 2018                        | 8,367,500        | 1,555,782,800    | 4,105,500    | 17,700           | 118,690,000      | -                                         | -         |
| 2019                        | 6,400,400        | 1,604,282,700    | 1,846,600    | 12,000           | 123,843,751      | -                                         | -         |
| 2020                        | 6,359,600        | 1,601,415,500    | 4,201,400    | 18,300           | 127,383,051      | -                                         | -         |
| 2021                        | 6,098,200        | 1,658,127,600    | 4,230,300    | 21,900           | 127,494,561      | -                                         | -         |
| 2022                        | 5,328,600        | 1,782,679,900    | 4,579,100    | 16,800           | 134,933,751      | -                                         | -         |
| 2023                        | 5,171,700        | 1,955,666,800    | 4,683,200    | 16,800           | 139,492,251      | -                                         | -         |
| 2024                        | 6,329,300        | 2,160,005,800    | 5,612,300    | 16,800           | 142,855,751      | -                                         | -         |
| 2025                        | 9,011,500        | 2,681,534,100    | 2,975,200    | 12,000           | 169,903,700      | -                                         | -         |
|                             |                  |                  |              |                  |                  | Total Direct School Tax Rate <sup>b</sup> |           |
| 2016                        | \$ 1,628,775,100 | \$ -             | \$ 1,217,399 | \$ 1,629,992,499 | \$ 1,587,775,099 | 0.439                                     |           |
| 2017                        | 1,662,942,400    | -                | 1,180,677    | 1,664,123,077    | 1,628,775,100    | 0.431                                     |           |
| 2018                        | 1,686,963,500    | -                | 1,155,753    | 1,688,119,253    | 1,662,942,400    | 0.044                                     |           |
| 2019                        | 1,736,385,451    | -                | 1,167,167    | 1,737,552,618    | 1,687,350,500    | 0.431                                     |           |
| 2020                        | 1,739,377,851    | -                | 1,176,084    | 1,740,553,935    | 1,736,385,451    | 0.449                                     |           |
| 2021                        | 1,795,972,561    | -                | 1,248,792    | 1,797,221,353    | 1,740,626,643    | 0.435                                     |           |
| 2022                        | 1,927,538,151    | -                | 1,271,215    | 1,928,809,366    | 1,797,243,866    | 0.395                                     |           |
| 2023                        | 2,105,030,751    | -                | 1,270,759    | 2,106,301,510    | 1,928,808,910    | 0.377                                     |           |
| 2024                        | 2,314,819,951    | -                | 1,286,267    | 2,316,106,218    | 2,106,317,018    | 0.535                                     |           |
| 2025                        | 2,863,436,500    | -                | 1,295,126    | 2,864,731,626    | 2,512,397,472    | 0.303                                     |           |

**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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

|   |                                                                                                             |
|---|-------------------------------------------------------------------------------------------------------------|
| a | Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies |
| b | Tax rates are per \$100                                                                                     |
| R | Reassessment of property values                                                                             |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

**SHREWSBURY BOROUGH**

| Year<br>Ending December 31,                                     | Vacant Land   | Residential                     | Farm Reg.                        | Qfarm                    | Commercial                                      | Industrial | Apartment |
|-----------------------------------------------------------------|---------------|---------------------------------|----------------------------------|--------------------------|-------------------------------------------------|------------|-----------|
|                                                                 | R             | \$                              | \$                               | \$                       | \$                                              | \$         | \$        |
| 2016                                                            | 5,628,000     | 744,629,400                     | 1,121,200                        | 5,600                    | 356,264,800                                     | -          | -         |
| 2017                                                            | 5,747,800     | 774,208,900                     | 1,133,500                        | 5,500                    | 366,951,800                                     | -          | -         |
| 2018                                                            | 10,320,500    | 795,060,500                     | 1,155,900                        | 5,600                    | 361,883,700                                     | -          | -         |
| 2019                                                            | 6,992,900     | 807,849,900                     | 1,169,900                        | 5,600                    | 364,655,200                                     | -          | -         |
| 2020                                                            | 6,494,900     | 820,525,300                     | 1,193,100                        | 5,600                    | 408,085,700                                     | -          | -         |
| 2021                                                            | 3,437,200     | 838,653,000                     | 1,211,100                        | 5,600                    | 427,192,800                                     | -          | -         |
| 2022                                                            | 3,654,800     | 926,948,700                     | 1,315,700                        | 5,600                    | 440,055,900                                     | -          | -         |
| 2023                                                            | 3,244,900     | 1,042,007,125                   | 1,477,700                        | 5,600                    | 445,489,700                                     | -          | -         |
| 2024                                                            | 3,339,900     | 1,070,468,500                   | 1,487,500                        | 5,600                    | 496,676,400                                     | -          | -         |
| 2025                                                            | 4,309,900     | 1,235,178,300                   | 1,553,900                        | 5,600                    | 532,621,700                                     | -          | -         |
| <div>Total<br/>Direct<br/>School<br/>Tax Rate<sup>b</sup></div> |               |                                 |                                  |                          |                                                 |            |           |
|                                                                 | \$            | Less:<br>Tax-Exempt<br>Property | Public<br>Utilities <sup>a</sup> | Net Valuation<br>Taxable | Estimated Actual<br>(County<br>Equalized) Value |            |           |
| 2016                                                            | 1,164,917,000 | \$ 57,268,000                   | 1,155,317                        | \$ 1,004,066,893         | \$ 1,067,333,117                                | 0.478      |           |
| 2017                                                            | 1,209,344,500 | 61,297,000                      | 1,113,711                        | 1,067,199,821            | 1,116,649,000                                   | 0.475      |           |
| 2018                                                            | 1,168,426,200 | -                               | 1,120,813                        | 1,108,804,317            | 1,168,426,200                                   | 0.497      |           |
| 2019                                                            | 1,180,673,500 | -                               | 1,125,717                        | 1,149,161,211            | 1,180,683,500                                   | 0.494      |           |
| 2020                                                            | 1,236,304,600 | -                               | 1,206,309                        | 1,169,547,013            | 1,237,510,909                                   | 0.518      |           |
| 2021                                                            | 1,270,499,700 | -                               | 1,260,410                        | 1,271,760,110            | 1,271,760,110                                   | 0.523      |           |
| 2022                                                            | 1,371,980,700 | -                               | 1,285,145                        | 1,373,265,845            | 1,373,265,845                                   | 0.460      |           |
| 2023                                                            | 1,492,225,025 | -                               | 1,313,916                        | 1,493,538,941            | 1,493,538,941                                   | 0.409      |           |
| 2024                                                            | 1,571,977,900 | -                               | 1,315,984                        | 1,573,293,884            | 1,573,293,884                                   | 0.387      |           |
| 2025                                                            | 1,773,669,400 | -                               | 13,147,611                       | 1,786,817,011            | 1,648,927,656                                   | 0.343      |           |

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 the County Board of Taxation requests Treasury to order a reassessment.

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

<sup>b</sup> Tax rates are per \$100

R Reassessment of property values

N/A At the time of ACFR Completion, this data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
*Unaudited***

**RED BANK BOROUGH**

| Year<br><br>Ending December 31, | School District Direct Rate |                                                    |                                       | Overlapping Rates            |                         |                    | Total Direct and<br>Overlapping<br>Tax Rate |
|---------------------------------|-----------------------------|----------------------------------------------------|---------------------------------------|------------------------------|-------------------------|--------------------|---------------------------------------------|
|                                 | Basic Rate <sup>a</sup>     | General<br>Obligation Debt<br>Service <sup>b</sup> | Total<br>Direct<br>School Tax<br>Rate | Borough<br>of<br>Red<br>Bank |                         |                    |                                             |
|                                 |                             |                                                    |                                       |                              | Local<br>School<br>Rate | Monmouth<br>County |                                             |
| 2016                            | 0.429                       | 0.016                                              | 0.445                                 | 0.551                        | 0.796                   | 0.282              | 2.074                                       |
| 2017                            | 0.423                       | 0.015                                              | 0.438                                 | 0.561                        | 0.802                   | 0.275              | 2.076                                       |
| 2018                            | 0.467                       | 0.016                                              | 0.483                                 | 0.589                        | 0.827                   | 0.283              | 2.182                                       |
| 2019                            | 0.467                       | 0.016                                              | 0.483                                 | 0.637                        | 0.814                   | 0.277              | 2.211                                       |
| 2020                            | 0.510                       | 0.016                                              | 0.526                                 | 0.654                        | 0.814                   | 0.278              | 2.272                                       |
| 2021                            | 0.503                       | 0.016                                              | 0.519                                 | 0.654                        | 0.814                   | 0.278              | 2.265                                       |
| 2022                            | 0.453                       | 0.030                                              | 0.483                                 | 0.565                        | 0.721                   | 0.238              | 2.007                                       |
| 2023                            | 0.458                       | 0.030                                              | 0.478                                 | 0.674                        | 0.535                   | 0.224              | 1.911                                       |
| 2024                            | 0.452                       | 0.019                                              | 0.471                                 | 0.527                        | 0.662                   | 0.229              | 1.889                                       |
| 2025                            | 0.430                       | 0.018                                              | 0.448                                 | 0.493                        | 0.664                   | 0.217              | 1.822                                       |

Source: Municipal Tax Assessor

Note: N.J.S.A. 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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the

<sup>a</sup> Net Valuation taxable.

<sup>b</sup> Rates for debt service are based on each year's requirements.

N/A At the time of ACFR Completion, this data was not yet available

# LITTLE SILVER BOROUGH

| Year<br>Ending December 31, | School District Direct Rate<br>(From J-6) |                                                    |                                       | Overlapping Rates                 |                         |                    | Total Direct and<br>Overlapping<br>Tax Rate |
|-----------------------------|-------------------------------------------|----------------------------------------------------|---------------------------------------|-----------------------------------|-------------------------|--------------------|---------------------------------------------|
|                             | Basic Rate <sup>a</sup>                   | General<br>Obligation Debt<br>Service <sup>b</sup> | Total<br>Direct<br>School Tax<br>Rate | Borough<br>of<br>Little<br>Silver | Local<br>School<br>Rate | Monmouth<br>County |                                             |
| 2016                        | 0.424                                     | 0.015                                              | 0.439                                 | 0.434                             | 0.830                   | 0.295              | 1.998                                       |
| 2017                        | 0.416                                     | 0.015                                              | 0.431                                 | 0.437                             | 0.831                   | 0.296              | 1.995                                       |
| 2018                        | 0.410                                     | 0.015                                              | 0.044                                 | 0.434                             | 0.831                   | 0.296              | 1.998                                       |
| 2019                        | 0.417                                     | 0.014                                              | 0.431                                 | 0.447                             | 0.821                   | 0.291              | 1.990                                       |
| 2020                        | 0.435                                     | 0.014                                              | 0.449                                 | 0.456                             | 0.833                   | 0.289              | 2.027                                       |
| 2021                        | 0.422                                     | 0.013                                              | 0.435                                 | 0.456                             | 0.833                   | 0.289              | 2.013                                       |
| 2022                        | 0.370                                     | 0.025                                              | 0.395                                 | 0.432                             | 0.747                   | 0.246              | 1.820                                       |
| 2023                        | 0.361                                     | 0.016                                              | 0.377                                 | 0.415                             | 0.781                   | 0.227              | 1.800                                       |
| 2024                        | 0.338                                     | 0.015                                              | 0.353                                 | 0.393                             | 0.726                   | 0.216              | 1.688                                       |
| 2025                        | 0.291                                     | 0.012                                              | 0.303                                 | 0.341                             | 0.596                   | 0.197              | 1.437                                       |

Source: Municipal Tax Assessor

N.J.S.A. 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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

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

a

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N/A

**SHREWSBURY BOROUGH**

| Year<br>Ending December 31, | School District Direct Rate<br>(From J-6) |                                                    |                                       | Overlapping Rates           |                         |                    | Total Direct and<br>Overlapping<br>Tax Rate |
|-----------------------------|-------------------------------------------|----------------------------------------------------|---------------------------------------|-----------------------------|-------------------------|--------------------|---------------------------------------------|
|                             | Basic Rate <sup>a</sup>                   | General<br>Obligation Debt<br>Service <sup>b</sup> | Total<br>Direct<br>School Tax<br>Rate | Borough<br>of<br>Shrewsbury | Local<br>School<br>Rate | Monmouth<br>County |                                             |
| 2016                        | 0.461                                     | 0.017                                              | 0.478                                 | 0.632                       | 0.684                   | 0.299              | 2.100                                       |
| 2017                        | 0.459                                     | 0.016                                              | 0.475                                 | 0.639                       | 0.710                   | 0.296              | 2.115                                       |
| 2018                        | 0.480                                     | 0.017                                              | 0.497                                 | 0.634                       | 0.716                   | 0.296              | 2.141                                       |
| 2019                        | 0.478                                     | 0.016                                              | 0.494                                 | 0.064                       | 0.727                   | 0.289              | 2.145                                       |
| 2020                        | 0.502                                     | 0.016                                              | 0.518                                 | 0.615                       | 0.708                   | 0.282              | 2.123                                       |
| 2021                        | 0.507                                     | 0.016                                              | 0.523                                 | 0.615                       | 0.708                   | 0.282              | 2.128                                       |
| 2022                        | 0.431                                     | 0.029                                              | 0.460                                 | 0.566                       | 0.663                   | 0.262              | 1.951                                       |
| 2023                        | 0.392                                     | 0.017                                              | 0.409                                 | 0.707                       | 0.527                   | 0.241              | 1.884                                       |
| 2024                        | 0.371                                     | 0.016                                              | 0.387                                 | 0.525                       | 0.686                   | 0.234              | 1.832                                       |
| 2025                        | 0.329                                     | 0.014                                              | 0.343                                 | 0.622                       | 0.487                   | 0.209              | 1.661                                       |

Source: Municipal Tax Assessor

Note: N.J.S.A. 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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

**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.

N/A At the time of ACFR Completion, this data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**  
*Unaudited*

**RED BANK BOROUGH**

|             | 2025                         |                    |                                              | 2016                         |                    |                                              |
|-------------|------------------------------|--------------------|----------------------------------------------|------------------------------|--------------------|----------------------------------------------|
|             | Taxable<br>Assessed<br>Value | Rank<br>(Optional) | % of Total<br>District Net<br>Assessed Value | Taxable<br>Assessed<br>Value | Rank<br>(Optional) | % of Total<br>District Net<br>Assessed Value |
| Taxpayer 1  |                              | 1                  |                                              |                              | 1                  |                                              |
| Taxpayer 2  |                              | 2                  |                                              |                              | 2                  |                                              |
| Taxpayer 3  |                              | 3                  |                                              |                              | 3                  |                                              |
| Taxpayer 4  |                              | 4                  |                                              |                              | 4                  |                                              |
| Taxpayer 5  |                              | 5                  |                                              |                              | 5                  |                                              |
| Taxpayer 6  |                              | 6                  |                                              |                              | 6                  |                                              |
| Taxpayer 7  |                              | 7                  |                                              |                              | 7                  |                                              |
| Taxpayer 8  |                              | 8                  |                                              |                              | 8                  |                                              |
| Taxpayer 9  |                              | 9                  |                                              |                              | 9                  |                                              |
| Taxpayer 10 |                              | 10                 |                                              |                              | 10                 |                                              |
| Total       | \$ -                         |                    |                                              | \$ -                         |                    |                                              |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**  
*Unaudited*

**LITTLE SILVER BOROUGH**

|             | 2025                         |                    |                                              | 2016                         |                    |                                              |
|-------------|------------------------------|--------------------|----------------------------------------------|------------------------------|--------------------|----------------------------------------------|
|             | Taxable<br>Assessed<br>Value | Rank<br>(Optional) | % of Total<br>District Net<br>Assessed Value | Taxable<br>Assessed<br>Value | Rank<br>(Optional) | % of Total<br>District Net<br>Assessed Value |
| Taxpayer 1  |                              | 1                  |                                              |                              | 1                  |                                              |
| Taxpayer 2  |                              | 2                  |                                              |                              | 2                  |                                              |
| Taxpayer 3  |                              | 3                  |                                              |                              | 3                  |                                              |
| Taxpayer 4  |                              | 4                  |                                              |                              | 4                  |                                              |
| Taxpayer 5  |                              | 5                  |                                              |                              | 5                  |                                              |
| Taxpayer 6  |                              | 6                  |                                              |                              | 6                  |                                              |
| Taxpayer 7  |                              | 7                  |                                              |                              | 7                  |                                              |
| Taxpayer 8  |                              | 8                  |                                              |                              | 8                  |                                              |
| Taxpayer 9  |                              | 9                  |                                              |                              | 9                  |                                              |
| Taxpayer 10 |                              | 10                 |                                              |                              | 10                 |                                              |
| Total       | \$ -                         |                    |                                              | \$ -                         |                    |                                              |



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
*Unaudited***

| Year Ended<br>December 31, | Taxes Levied for<br>the Fiscal Year | Collector Within the Fiscal Year<br>of the Levy <sup>a</sup> |                       | Collections in<br>Subsequent<br>Years |
|----------------------------|-------------------------------------|--------------------------------------------------------------|-----------------------|---------------------------------------|
|                            |                                     | Amount                                                       | Percentage<br>of Levy |                                       |
| 2016                       | 21,337,599                          | 21,337,599                                                   | 100.00%               | -                                     |
| 2017                       | 21,750,493                          | 21,750,493                                                   | 100.00%               | -                                     |
| 2018                       | 22,179,080                          | 22,179,080                                                   | 100.00%               | -                                     |
| 2019                       | 22,667,313                          | 22,667,313                                                   | 100.00%               | -                                     |
| 2020                       | 24,099,640                          | 24,099,640                                                   | 100.00%               | -                                     |
| 2021                       | 26,229,954                          | 26,229,954                                                   | 100.00%               | -                                     |
| 2022                       | 26,829,740                          | 26,829,740                                                   | 100.00%               | -                                     |
| 2023                       | 26,789,246                          | 26,789,246                                                   | 100.00%               | -                                     |
| 2024                       | 27,917,963                          | 27,917,963                                                   | 100.00%               | -                                     |
| 2025                       | 28,621,956                          | 28,621,956                                                   | 100.00%               | -                                     |

Source: 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.

|                                  |
|----------------------------------|
| <b>DEBT CAPACITY INFORMATION</b> |
|----------------------------------|

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

| Fiscal Year<br>Ending June 30, | Governmental Activities                     |                      |                                         | Total<br>District | Percentage of<br>Personal<br>Income <sup>a</sup> | Per<br>Capita <sup>a</sup> |
|--------------------------------|---------------------------------------------|----------------------|-----------------------------------------|-------------------|--------------------------------------------------|----------------------------|
|                                | General<br>Obligation<br>Bonds <sup>b</sup> | Finance<br>Purchases | Bond<br>Anticipation<br>Notes<br>(BANs) |                   |                                                  |                            |
| 2016                           | 3,695,000                                   | -                    | -                                       | 3,695,000         | 0.24%                                            | 166                        |
| 2017                           | 3,120,000                                   | -                    | -                                       | 3,120,000         | 0.19%                                            | 141                        |
| 2018                           | 2,510,000                                   | -                    | -                                       | 2,510,000         | 0.15%                                            | 113                        |
| 2019                           | 1,890,000                                   | 197,157              | 1,700,000                               | 3,787,157         | 0.21%                                            | 171                        |
| 2020                           | 20,690,000                                  | 99,973               | -                                       | 20,789,973        | 1.13%                                            | 941                        |
| 2021                           | 20,015,000                                  | -                    | -                                       | 20,015,000        | 0.95%                                            | 918                        |
| 2022                           | 18,800,000                                  | -                    | -                                       | 18,800,000        | 0.86%                                            | 811                        |
| 2023                           | 18,055,000                                  | -                    | -                                       | 18,055,000        | 0.78%                                            | 781                        |
| 2024                           | 17,280,000                                  | -                    | -                                       | 17,280,000        | N/A                                              | 752                        |
| 2025                           | 16,480,000                                  | -                    | -                                       | 16,480,000        | N/A                                              | 713                        |

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

b Includes Early Retirement Incentive Plan ("ERIP") refunding

N/A At the time of ACFR completion, data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

| <u>Fiscal Year</u><br><u>Ending June 30,</u> | <u>General Bonded Debt Outstanding</u>              |                                                                          | Percentage of<br>Actual Taxable<br>Value <sup>a</sup> of<br>Property | Per<br>Capita <sup>b</sup> |
|----------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------|
|                                              | <u>General</u><br><u>Obligation</u><br><u>Bonds</u> | <u>Net</u><br><u>General</u><br><u>Bonded Debt</u><br><u>Outstanding</u> |                                                                      |                            |
| 2016                                         | 3,695,000                                           | 3,695,000                                                                | 0.08%                                                                | 166                        |
| 2017                                         | 3,120,000                                           | 3,120,000                                                                | 0.08%                                                                | 166                        |
| 2018                                         | 2,510,000                                           | 2,510,000                                                                | 5.00%                                                                | 114                        |
| 2019                                         | 1,890,000                                           | 1,890,000                                                                | 0.04%                                                                | 86                         |
| 2020                                         | 20,690,000                                          | 20,690,000                                                               | 0.40%                                                                | 936                        |
| 2021                                         | 20,015,000                                          | 20,015,000                                                               | 0.36%                                                                | 918                        |
| 2022                                         | 18,800,000                                          | 18,800,000                                                               | 0.47%                                                                | 811                        |
| 2023                                         | 18,055,000                                          | 18,055,000                                                               | 0.41%                                                                | 781                        |
| 2024                                         | 17,280,000                                          | 17,280,000                                                               | 0.37%                                                                | 752                        |
| 2025                                         | 16,480,000                                          | 16,480,000                                                               | 0.32%                                                                | 713                        |

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**YEAR ENDED JUNE 30, 2025**  
*Unaudited*

| Governmental Unit                                  | Debt<br>Outstanding | Estimated<br>Percentage<br>Applicable <sup>a</sup> | Estimated<br>Share of<br>Overlapping<br>Debt |
|----------------------------------------------------|---------------------|----------------------------------------------------|----------------------------------------------|
| Debt Repaid with Property Taxes:                   |                     |                                                    |                                              |
| Red Bank Borough                                   | 45,185,236          | 100.00%                                            | \$ 45,185,236                                |
| Little Silver Borough                              | 9,551,576           | 100.00%                                            | 9,551,576                                    |
| Shrewsbury Borough                                 | 7,715,000           | 100.00%                                            | 7,715,000                                    |
| Monmouth County General Obligation Debt:           |                     |                                                    |                                              |
| Red Bank Borough                                   | 1,643,106,400       | 1.68%                                              | 27,604,908                                   |
| Little Silver Borough                              | 1,643,106,400       | 1.24%                                              | 20,340,277                                   |
| Shrewsbury Borough                                 | 1,643,106,400       | 0.81%                                              | <u>13,349,658</u>                            |
| Subtotal, Overlapping Debt                         |                     |                                                    | 123,746,655                                  |
| Red Bank Regional High School District Direct Debt |                     |                                                    | <u>16,480,000</u>                            |
| Total Direct and Overlapping Debt                  |                     |                                                    | <u><u>\$ 140,226,655</u></u>                 |

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth 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 Red Bank Borough, Little Silver Borough and Shrewsbury Borough. This process recognized that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

N/A At the time of ACFR Completion, this data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized Valuation Basis

|      | Total             | Red Bank<br>Borough | Little Silver<br>Borough | Shrewsbury<br>Borough |
|------|-------------------|---------------------|--------------------------|-----------------------|
| 2025 | \$ 7,474,738,747  | 3,346,112,973       | \$ 2,490,124,732         | \$ 1,638,501,042      |
| 2024 | 6,869,879,615     | 3,152,835,530       | 2,149,745,456            | 1,567,298,629         |
| 2023 | 6,310,179,801     | 2,840,349,390       | 1,979,195,144            | 1,490,635,267         |
| (A)  | \$ 20,654,798,163 | \$ 9,339,297,893    | \$ 6,619,065,332         | \$ 4,696,434,938      |

Average Equalized Valuation of Taxable Property

(A/3) \$ 6,884,932,721.00

Debt Limit (3% of Average Equalization Value) a

(B) 206,547,982

Total Net Debt Applicable To Limit

(C) 16,480,000

Legal Debt Margin

(B-C) \$ 190,067,982

|                                    | 2016          | 2017          | 2018          | 2019              | 2020           |
|------------------------------------|---------------|---------------|---------------|-------------------|----------------|
| Debt Limit                         |               |               |               |                   |                |
| Total Net Debt Applicable To Limit | \$ 93,145,679 | \$ 93,706,072 | \$ 95,737,050 | \$ 14,637,056,706 | \$ 152,611,816 |
|                                    | 4,245,000     | 3,695,000     | 3,120,000     | 2,510,000         | 24,108,200     |
| Legal Debt Margin                  | \$ 88,900,679 | \$ 90,011,072 | \$ 92,617,050 | \$ 14,634,546,706 | \$ 128,503,616 |

Total Net Debt Applicable to the Limit  
as a Percentage of Debt Limit

4.56% 3.94% 3.26% 0.02% 15.80%

|                                    | 2021           | 2022           | 2023           | 2024           | 2025           |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Debt Limit                         |                |                |                |                |                |
| Total Net Debt Applicable To Limit | \$ 153,381,829 | \$ 160,832,065 | \$ 175,465,842 | \$ 188,530,163 | \$ 206,547,982 |
|                                    | 20,015,000     | 18,800,000     | 18,055,000     | 17,280,000     | 16,480,000     |
| Legal Debt Margin                  | \$ 133,366,829 | \$ 142,032,065 | \$ 157,410,842 | \$ 171,250,163 | \$ 190,067,982 |

Total Net Debt Applicable to the Limit  
as a Percentage of Debt Limit

13.05% 11.69% 10.29% 9.17% 7.98%

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

a Limit set by N.J.S.A. 18A:24-19 for a 9 through 12 District; other percentage limits would be applicable for other District types.

## **DEMOGRAPHIC AND ECONOMIC STATISTICS**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
*Unaudited***

**RED BANK BOROUGH**

| Year | Population <sup>a</sup> | Personal Income <sup>b</sup> | Per Capita<br>Personal Income <sup>c</sup> | Unemployment<br>Rate <sup>d</sup> |
|------|-------------------------|------------------------------|--------------------------------------------|-----------------------------------|
| 2016 | 12,122                  | \$ 854,516,146               | 70,493                                     | 3.4%                              |
| 2017 | 12,077                  | 883,034,009                  | 73,117                                     | 3.2%                              |
| 2018 | 12,046                  | 919,194,122                  | 76,307                                     | 3.1%                              |
| 2019 | 11,986                  | 977,686,034                  | 81,569                                     | 2.8%                              |
| 2020 | 11,979                  | 1,014,549,426                | 84,694                                     | 7.3%                              |
| 2021 | 12,920                  | 1,174,117,920                | 90,876                                     | 5.3%                              |
| 2022 | 12,856                  | 1,215,406,240                | 94,540                                     | 3.2%                              |
| 2023 | 12,779                  | 1,283,995,583                | 100,477                                    | 3.6%                              |
| 2024 | 12,830                  | N/A                          | N/A                                        | 3.7%                              |
| 2025 | N/A                     | N/A                          | N/A                                        | N/A                               |

Source:

<sup>a</sup> Population information provided by U.S. Census Bureau, Population Division

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

<sup>c</sup> Per capita personal income by NJ County estimated per Bureau of Economic Analysis

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
*Unaudited***

**LITTLE SILVER BOROUGH**

| <u>Year</u> | <u>Population<sup>a</sup></u> | <u>Personal Income<sup>b</sup></u> | <u>Per Capita<br/>Personal Income<sup>c</sup></u> | <u>Unemployment<br/>Rate<sup>d</sup></u> |
|-------------|-------------------------------|------------------------------------|---------------------------------------------------|------------------------------------------|
| 2016        | 5,869                         | \$ 413,723,417                     | 70,493                                            | 3.30%                                    |
| 2017        | 5,866                         | 428,904,322                        | 73,117                                            | 2.90%                                    |
| 2018        | 5,811                         | 443,419,977                        | 76,307                                            | 2.70%                                    |
| 2019        | 5,790                         | 472,284,510                        | 81,569                                            | 1.90%                                    |
| 2020        | 5,772                         | 488,853,768                        | 84,694                                            | 5.70%                                    |
| 2021        | 6,091                         | 553,525,716                        | 90,876                                            | 4.00%                                    |
| 2022        | 6,076                         | 574,425,040                        | 94,540                                            | 2.20%                                    |
| 2023        | 6,053                         | 608,187,281                        | 100,477                                           | 2.70%                                    |
| 2024        | 6,101                         | N/A                                | N/A                                               | 3.00%                                    |
| 2025        | N/A                           | N/A                                | N/A                                               | N/A                                      |

Source:

<sup>a</sup> Population information provided by U.S. Census Bureau, Population Division

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

<sup>c</sup> Per capita personal income by NJ County estimated per Bureau of Economic Analysis

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
*Unaudited***

**SHREWSBURY BOROUGH**

| <u>Year</u> | <u>Population<sup>a</sup></u> | <u>Personal Income<sup>b</sup></u> | <u>Per Capita<br/>Personal Income<sup>c</sup></u> | <u>Unemployment<br/>Rate<sup>d</sup></u> |
|-------------|-------------------------------|------------------------------------|---------------------------------------------------|------------------------------------------|
| 2016        | 4,108                         | \$ 289,585,244                     | 70,493                                            | 4.30%                                    |
| 2017        | 4,097                         | 299,560,349                        | 73,117                                            | 3.70%                                    |
| 2018        | 4,084                         | 311,637,788                        | 76,307                                            | 3.20%                                    |
| 2019        | 4,058                         | 331,007,002                        | 81,569                                            | 2.70%                                    |
| 2020        | 4,040                         | 342,163,760                        | 84,694                                            | 8.40%                                    |
| 2021        | 4,177                         | 379,589,052                        | 90,876                                            | 5.30%                                    |
| 2022        | 4,174                         | 394,609,960                        | 94,540                                            | 3.70%                                    |
| 2023        | 4,149                         | 416,879,073                        | 100,477                                           | 3.90%                                    |
| 2024        | 4,167                         | N/A                                | N/A                                               | 4.00%                                    |
| 2025        | N/A                           | N/A                                | N/A                                               | N/A                                      |

Source:

<sup>a</sup> Population information provided by U.S. Census Bureau, Population Division

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

<sup>c</sup> Per capita personal income by NJ County estimated per Bureau of Economic Analysis

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

[illegible]

**LITTLE SILVER BOROUGH**

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## SHREWSBURY BOROUGH

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|                              |
|------------------------------|
| <b>OPERATING INFORMATION</b> |
|------------------------------|

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

| Function/Program                         | FISCAL YEAR ENDING JUNE 30, |      |      |      |      |      |      |      |      |      |
|------------------------------------------|-----------------------------|------|------|------|------|------|------|------|------|------|
|                                          | 2016                        | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Instruction:                             | 132                         | 132  | 130  | 132  | 133  | 135  | 135  | 135  | 135  | 135  |
| Support Services:                        |                             |      |      |      |      |      |      |      |      |      |
| Student and Instruction Related Services | 34                          | 32   | 35   | 36   | 36   | 36   | 37   | 37   | 37   | 37   |
| General Administration                   | 3                           | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| School Administrative Services           | 8                           | 8    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    |
| Central Services                         | 5                           | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    |
| Administrative Information Technology    | 2                           | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Plant Operations and Maintenance         | 12                          | 11   | 11   | 11   | 11   | 11   | 11   | 11   | 11   | 11   |
| Pupil Transportation                     | 1                           | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Total                                    | 197                         | 195  | 197  | 200  | 201  | 203  | 204  | 204  | 204  | 204  |

Source: District Personnel Records

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

| School Year | Enrollment | Operating Expenditures <sup>a</sup> | Cost Per Pupil | Percentage Change | Teaching Staff <sup>b</sup> | School     |               |                    | Average Daily Enrollment (ADE) <sup>c</sup> | Average Daily Attendance (ADA) <sup>d</sup> | Percentage Change in Average Daily Enrollment | Student Attendance Percentage |
|-------------|------------|-------------------------------------|----------------|-------------------|-----------------------------|------------|---------------|--------------------|---------------------------------------------|---------------------------------------------|-----------------------------------------------|-------------------------------|
|             |            |                                     |                |                   |                             | Elementary | Middle School | Senior High School |                                             |                                             |                                               |                               |
| 2016        | 1,191      | 28,070,261                          | 23,569         | 6.65%             | 126                         | N/A        | N/A           | 1:9.3              | 1,185.0                                     | 1,227.0                                     | 10.34%                                        | 103.54%                       |
| 2017        | 1,178      | 29,932,078                          | 25,409         | 7.81%             | 127                         | N/A        | N/A           | 1:9.6              | 1,197.0                                     | 1,136.0                                     | 1.00%                                         | 94.90%                        |
| 2018        | 1,216      | 31,277,286                          | 25,721         | 1.23%             | 127                         | N/A        | N/A           | 1:9.5              | 1,172.0                                     | 1,114.0                                     | -2.13%                                        | 95.05%                        |
| 2019        | 1,208      | 27,503,325                          | 22,768         | -11.48%           | 127                         | N/A        | N/A           | 1:9.8              | 1,176.4                                     | 1,116.0                                     | 0.37%                                         | 94.87%                        |
| 2020        | 1,248      | 27,208,424                          | 21,802         | -4.24%            | 128                         | N/A        | N/A           | 1:9.8              | 1,247.3                                     | 1,205.6                                     | 5.68%                                         | 96.66%                        |
| 2021        | 1,274      | 29,494,581                          | 23,151         | 6.19%             | 128                         | N/A        | N/A           | 1:9.9              | 1,261.1                                     | 1,171.0                                     | 1.10%                                         | 92.86%                        |
| 2022        | 1,270      | 27,100,141                          | 21,339         | -7.83%            | 128                         | N/A        | N/A           | 1:9.9              | 1,272.4                                     | 1,172.7                                     | 0.89%                                         | 92.16%                        |
| 2023        | 1,303      | 29,140,496                          | 22,364         | 4.81%             | 128                         | N/A        | N/A           | 1:9.9              | 1,290.7                                     | 1,208.7                                     | 1.42%                                         | 93.65%                        |
| 2024        | 1,298      | 30,743,189                          | 23,685         | 5.91%             | 128                         | N/A        | N/A           | 1:9.9              | 1,268.0                                     | 1,190.8                                     | -1.79%                                        | 93.91%                        |
| 2025        | 1,264      | 31,895,243                          | 25,234         | 6.54%             | 128                         | N/A        | N/A           | 1:9.9              | 1,223.0                                     | 1,152.4                                     | -3.68%                                        | 94.23%                        |

Note: Enrollment based on annual October District count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**  
*Unaudited*

| District/Building                              | FISCAL YEAR ENDING JUNE 30, |         |         |         |         |         |         |         |         |         |
|------------------------------------------------|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                                | 2016                        | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    |
| High School:                                   |                             |         |         |         |         |         |         |         |         |         |
| Red Bank Regional High School (1975)           |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | 250,000                     | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Capacity (Students)                            | 1,346                       | 1,346   | 1,346   | 1,346   | 1,346   | 1,346   | 1,346   | 1,346   | 1,346   | 1,346   |
| Enrollment                                     | 1,191                       | 1,178   | 1,216   | 1,208   | 1,248   | 1,274   | 1,270   | 1,303   | 1,298   | 1,264   |
| Other:                                         |                             |         |         |         |         |         |         |         |         |         |
| Athletic Building (1980)                       |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | 1,500                       | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   |
| Central Administration (1975)                  |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | 3,000                       | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   |
| Self-Contained Special Education School (1995) |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | 5,000                       | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   | 5,000   |
| Fitness Center (2015)                          |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | 3,000                       | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   |
| Concession Stand (2025)                        |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | -                           | -       | -       | -       | -       | -       | -       | -       | -       | 2,300   |
| Maintenance Building (2025)                    |                             |         |         |         |         |         |         |         |         |         |
| Square Feet                                    | -                           | -       | -       | -       | -       | -       | -       | -       | -       | 2,135   |

Number of Schools at June 30, 2025  
Senior High School = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October District count.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED MAINTENANCE**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES

|                         | Project # (s) | Red Bank<br>Regional<br>High School | Total               |
|-------------------------|---------------|-------------------------------------|---------------------|
| 2016                    | N/A           | \$ 709,626                          | \$ 709,626          |
| 2017                    | N/A           | 732,530                             | 732,530             |
| 2018                    | N/A           | 973,811                             | 973,811             |
| 2019                    | N/A           | 579,284                             | 579,284             |
| 2020                    | N/A           | 366,969                             | 366,969             |
| 2021                    | N/A           | 587,656                             | 587,656             |
| 2022                    | N/A           | 534,324                             | 534,324             |
| 2023                    | N/A           | 826,745                             | 826,745             |
| 2024                    | N/A           | 756,157                             | 756,157             |
| 2025                    | N/A           | 836,276                             | 836,276             |
| Total School Facilities |               | <u>\$ 6,903,378</u>                 | <u>\$ 6,903,378</u> |

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

Source: District records

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2025**  
*Unaudited*

| <u>Company</u>                                                              | <u>Premium</u>            | <u>Coverage</u> | <u>Deductible</u>       |
|-----------------------------------------------------------------------------|---------------------------|-----------------|-------------------------|
| <b><u>COMMERCIAL PACKAGE POLICY</u></b>                                     |                           | \$205,946       |                         |
| New Jersey School Insurance Group                                           | <b>Article I-Property</b> |                 |                         |
| Real and Personal property                                                  |                           | \$350,000,000   | ** \$2,500              |
| Extra Expense                                                               |                           | \$50,000,000    | ** \$2,500              |
| Valuable Papers and Records                                                 |                           | \$10,000,000    | ** \$2,500              |
| Demolition and Increased Cost of Construction                               |                           | \$25,000,000    | **                      |
| Loss of Business Income/Tuition                                             |                           | \$2,000,000     | *                       |
| Limited Builders Risk                                                       |                           | \$10,000,000    | **                      |
| Fire Department Service Charge                                              |                           | \$10,000        | *                       |
| Arson Reward                                                                |                           | \$10,000        | *                       |
| Pollutant Cleanup and Removal                                               |                           | \$250,000       | ***                     |
| Sublimites: Special Flood Hazard Area Flood Zone                            |                           | \$25,000,000    | *** \$500,000           |
| Accounts Receivable                                                         |                           | \$250,000       | ***                     |
| Flood (All Zones)                                                           |                           | \$75,000,000    | *** \$10,000            |
| Earthquake                                                                  |                           | \$50,000,000    | ***                     |
| Terrorism                                                                   |                           | \$1,000,000     | ***                     |
| <b>Article II-Electronic Data Processing</b>                                |                           |                 |                         |
| Data Processing Equipment including Data & Media                            |                           | \$350,000,000   | **                      |
| Computer Virus                                                              |                           | \$250,000       | **** \$1,000            |
| <b>Article III-Equipment Breakdown</b>                                      |                           |                 |                         |
| Combined Single Limit per Accident<br>for Property Damage & Business Income |                           | \$100,000,000   | \$25,000                |
| Sublimit:                                                                   |                           |                 |                         |
| Off Premises Property Damage                                                |                           | \$1,000,000     |                         |
| Extra Expense                                                               |                           | \$10,000,000    |                         |
| Service Interruption                                                        |                           | \$10,000,000    |                         |
| Perishable Goods                                                            |                           | \$1,000,000     |                         |
| Data Reservation                                                            |                           | \$1,000,000     |                         |
| Contingent Business Income                                                  |                           | \$1,000,000     |                         |
| Demolition                                                                  |                           | \$1,000,000     |                         |
| Ordinance or Law                                                            |                           | \$1,000,000     |                         |
| Expediting Expense                                                          |                           | \$1,000,000     |                         |
| Hazardous Substances                                                        |                           | \$1,000,000     |                         |
| <b>Article IIII- Crime</b>                                                  |                           |                 |                         |
| Public Employee Dishonesty with Faithful Performance                        |                           | \$500,000       | \$1,000                 |
| Forgery or Alteration                                                       |                           | \$50,000        | \$500                   |
| Theft, Disappearance and Destruction-Loss of Money                          |                           | \$50,000        | \$500                   |
| Computer Fraud                                                              |                           | \$100,000       | \$1,000                 |
| <b>Article V- Comprehensive General Liability</b>                           |                           |                 |                         |
| Bodily Injury and Property Damage                                           |                           | \$31,000,000    | *                       |
| Products and Completed Operations                                           |                           | \$331,000,000   | **                      |
| Sexual Abuse                                                                |                           | \$15,000,000    | Per Occurrence          |
|                                                                             |                           | \$15,000,000    | Member Annual Aggregate |
|                                                                             |                           | \$27,000,000    | NJSIG Aggregate         |

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2025**  
*Unaudited*

| <u>Company</u>                    | <u>Premium</u>                                         | <u>Coverage</u>                                                                           | <u>Deductible</u>      |
|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------|
|                                   | Communicable Disease Outbreak                          | \$1,000,000 Per Occurrence<br>\$9,000,000 NJSIG Aggregate                                 |                        |
|                                   | Personal Injury and Advertising Injury                 | \$31,000,000                                                                              |                        |
|                                   | Employee Benefits Liability                            | \$31,000,000                                                                              | \$1,000                |
|                                   | Premises Medical Payments                              | \$10,000 Per Accident<br>\$5,000 limit per person                                         |                        |
|                                   | <b>Article VI- Automobile</b>                          |                                                                                           |                        |
|                                   | Any Auto                                               | \$31,000,000 Per Accident                                                                 |                        |
|                                   | Bodily Injury & Property Damage                        |                                                                                           |                        |
|                                   | Uninsured/underinsured Motorist-private passenger auto | \$250,000 Per Accident                                                                    |                        |
|                                   | Uninsured/underinsured Motorist-All other Vehicles     | \$250,000 Bodily Per Person<br>\$50,000 Bodily Per Accident<br>\$5,000 All Other Vehicles |                        |
| New Jersey School Insurance Group | <b>School Board Legal Liability</b>                    | \$46,489                                                                                  | \$2,000,000<br>\$5,000 |
| New Jersey School Insurance Group | Workers Compensation                                   | \$115,798                                                                                 |                        |
| Fireman's Fund                    | Excess Liability                                       | \$11,812                                                                                  | \$30,000,000           |
| Evolve                            | Cyber Liability                                        | \$36,400                                                                                  |                        |
|                                   | Surety Bonds                                           |                                                                                           |                        |
| Selective                         | Business Administrator                                 | \$700                                                                                     | \$250,000              |
| Selective                         | Assistant Business Administrator                       | \$700                                                                                     | \$250,000              |
| Selective                         | Payroll                                                | \$700                                                                                     | \$250,000              |
| QBE Insurance Corp                | Student Accident                                       | \$72,000                                                                                  | \$25,000<br>\$2,500    |

**SINGLE AUDIT SECTION**

Fourth Section

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EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Red Bank Regional High School District  
County of Monmouth  
Little Silver, NJ 07739

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Red Bank Regional High School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 15, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

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

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

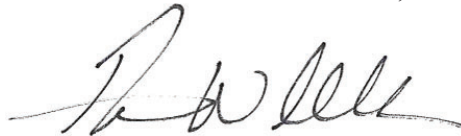
As part of obtaining reasonable assurance about whether Red Bank Regional High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could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

### **Purpose of This Report**

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. W. Allison', written over a faint horizontal line.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, #897

Lakewood, New Jersey  
December 15, 2025

EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Red Bank Regional High School District  
County of Monmouth  
Little Silver, NJ 07739

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

***Opinion on Each Major Federal and State Program***

We have audited the Red Bank Regional High School District's compliance with types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2025. The Red Bank Regional High School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Red Bank Regional High School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2025.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, 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 Red Bank Regional High School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Red Bank Regional High School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB's Circular 15-08 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB's 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 School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

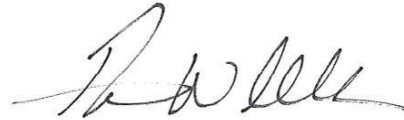
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. W. Allison', with a stylized flourish at the end.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, #897

Lakewood, New Jersey  
December 15, 2025

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

| FEDERAL GRANTOR<br>PASS-THROUGH GRANTOR<br>PROGRAM/TITLE OR CLUSTER                                                                                                      | ASSISTANCE<br>LISTING<br>NUMBER | FEDERAL<br>AWARD<br>IDENTIFICATION<br>NUMBER | PASS THROUGH<br>ENTITY<br>IDENTIFYING<br>NUMBER | PROGRAM OR<br>AWARD<br>AMOUNT | GRANT<br>PERIOD                  | BALANCE<br>6/30/2024    | CASH<br>RECEIVED          | BUDGETARY<br>EXPENDITURES | ADJUSTMENTS | BALANCE, JUNE 30, 2025 |                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------------------------|-------------------------------------------------|-------------------------------|----------------------------------|-------------------------|---------------------------|---------------------------|-------------|------------------------|-----------------------------------------------|
|                                                                                                                                                                          |                                 |                                              |                                                 |                               |                                  |                         |                           |                           |             | UNEARNED<br>REVENUE    | DUE TO<br>GRANTOR<br>(ACCOUNTS<br>RECEIVABLE) |
| <b>U.S. Department of Health and Human Services</b><br>Passed Through New Jersey Department of Human Services:<br>Medicaid Cluster:<br>Medical Assistance Program (SEMI) | 93.778                          | 2005NI5MAP                                   | 100-054-7540-211                                | \$ 11,525                     | 7/1/24-6/30/25                   | \$ -                    | \$ 11,525                 | \$ (11,525)               | \$ -        | \$ -                   | \$ -                                          |
| Total Medicaid Cluster                                                                                                                                                   |                                 |                                              |                                                 |                               |                                  | -                       | 11,525                    | (11,525)                  | -           | -                      | -                                             |
| <b>Total U.S. Department of Health and Human Services</b>                                                                                                                |                                 |                                              |                                                 |                               |                                  | -                       | 11,525                    | (11,525)                  | -           | -                      | -                                             |
| <b>U.S. Department of Agriculture</b><br>Passed Through New Jersey Department of Agriculture:<br>Child Nutrition Cluster:<br>School Breakfast Program                    | 10.553<br>10.553                | 251NI304NI099<br>241NI304NI099               | 100-010-3350-028<br>100-010-3350-028            | 28,403<br>25,812              | 7/1/24-6/30/25<br>7/1/23-6/30/24 | -<br>(1,474)<br>(1,474) | 23,416<br>1,474<br>24,890 | (28,403)<br>-<br>(28,403) | -<br>-<br>- | -<br>-<br>(4,987)      | -<br>-<br>(4,987)                             |
| National School Lunch Program                                                                                                                                            | 10.555                          | 251NI304NI099                                | 100-010-3350-028                                | 164,621                       | 7/1/24-6/30/25                   | -                       | 139,291                   | (164,621)                 | -           | -                      | (25,330)                                      |
| National School Lunch Program                                                                                                                                            | 10.555                          | 241NI304NI099                                | 100-010-3350-028                                | 129,313                       | 7/1/23-6/30/24                   | (4,293)                 | 4,293                     | -                         | -           | -                      | -                                             |
| Healthy Hunger-Free Kids Act                                                                                                                                             | 10.555                          | 251NI304NI099                                | 100-010-3350-026                                | 4,681                         | 7/1/24-6/30/25                   | -                       | 3,963                     | (4,681)                   | -           | -                      | (718)                                         |
| Healthy Hunger-Free Kids Act                                                                                                                                             | 10.555                          | 241NI304NI099                                | 100-010-3350-026                                | 3,960                         | 7/1/23-6/30/24                   | (128)                   | 128                       | -                         | -           | -                      | -                                             |
| Food Distribution Program (Noncash Assistance)                                                                                                                           | 10.555                          | 251NI304NI099                                | Unavailable                                     | 35,233                        | 7/1/24-6/30/25                   | -                       | 35,233                    | (35,233)                  | -           | -                      | -                                             |
| Total Child Nutrition Cluster                                                                                                                                            |                                 |                                              |                                                 |                               |                                  | (4,421)                 | 182,908                   | (204,535)                 | -           | -                      | (26,048)                                      |
| Summer EBT Administrative Costs Grant (Federal Portion)                                                                                                                  | 10.646                          | 202424NI180341                               | 100-010-3350-129                                | 322                           | 7/1/24-6/30/25                   | (5,895)                 | 207,798                   | (232,938)                 | -           | -                      | (31,035)                                      |
| <b>Total U.S. Department of Agriculture</b>                                                                                                                              |                                 |                                              |                                                 |                               |                                  | -                       | 322                       | (322)                     | -           | -                      | -                                             |
| <b>U.S. Department of Education</b><br>Passed Through New Jersey Department of Education:                                                                                |                                 |                                              |                                                 |                               |                                  | -                       | 322                       | (322)                     | -           | -                      | -                                             |
| Title I - Part A                                                                                                                                                         | 84.010                          | S010A240030                                  | 100-034-5064-194                                | 154,865                       | 7/1/24-9/30/25                   | -                       | 100,614                   | (144,344)                 | -           | -                      | (43,730)                                      |
| Title I - Part A                                                                                                                                                         | 84.010                          | S010A230030                                  | 100-034-5064-194                                | 154,003                       | 7/1/23-9/30/24                   | (14,482)                | 14,482                    | -                         | -           | -                      | -                                             |
| Title I SIA - Part A                                                                                                                                                     | 84.010                          | S010A240030                                  | 100-034-5064-194                                | 50,000                        | 7/1/24-9/30/25                   | -                       | 5,048                     | (44,844)                  | -           | -                      | (39,796)                                      |
| Title II - Part A: Supporting Effective Instruction                                                                                                                      | 84.367A                         | S367A240029                                  | 100-034-5063-290                                | 22,868                        | 7/1/24-9/30/25                   | (14,482)                | 120,144                   | (189,188)                 | -           | -                      | (83,526)                                      |
| Title II - Part A: Supporting Effective Instruction                                                                                                                      | 84.367A                         | S367A230029                                  | 100-034-5063-290                                | 24,356                        | 7/1/23-9/30/24                   | (22,444)                | 3,088                     | (21,123)                  | -           | -                      | (18,035)                                      |
| Title III - English Language Acquisition                                                                                                                                 | 84.365A                         | S365A240030                                  | 100-034-5064-187                                | 13,916                        | 7/1/24-9/30/25                   | (22,444)                | 22,444                    | -                         | -           | -                      | -                                             |
| Title III - English Language Acquisition                                                                                                                                 | 84.365A                         | S365A230030                                  | 100-034-5064-187                                | 12,052                        | 7/1/23-9/30/24                   | (30,634)                | 14,077                    | (30,634)                  | -           | -                      | (16,557)                                      |
| Title III - Immigrant                                                                                                                                                    | 84.365A                         | S365A230030                                  | 100-034-5064-187                                | 6,846                         | 7/1/23-9/30/24                   | (2,018)                 | 2,018                     | -                         | -           | -                      | -                                             |
| Special Education Cluster:                                                                                                                                               | 84.027A                         | H027A240100                                  | 100-034-5065-016                                | 434,474                       | 7/1/24-9/30/25                   | (3,329)                 | 17,406                    | (30,634)                  | -           | -                      | (16,557)                                      |
| ID.E.A. Part B                                                                                                                                                           | 84.027A                         | H027A230100                                  | 100-034-5065-016                                | 442,062                       | 7/1/23-9/30/24                   | -                       | 350,565                   | (410,625)                 | -           | -                      | (60,060)                                      |
| ID.E.A. Part B                                                                                                                                                           | 84.027A                         | H027A210100                                  | 100-034-5065-016                                | 385,408                       | 7/1/21-9/30/22                   | (26,710)                | 49,187                    | -                         | -           | -                      | -                                             |
| Total Special Education Cluster                                                                                                                                          |                                 |                                              |                                                 |                               |                                  | (75,897)                | 26,710                    | -                         | -           | -                      | -                                             |
| Education Stabilization Fund:                                                                                                                                            |                                 |                                              |                                                 |                               |                                  | -                       | 426,462                   | (410,625)                 | -           | -                      | (60,060)                                      |
| Elementary and Secondary School Emergency Relief                                                                                                                         | 84.425U                         | S425U210027                                  | 100-034-5120-518                                | 847,203                       | 3/1/20-9/30/24                   | (592,472)               | 609,955                   | (17,960)                  | 477         | -                      | -                                             |
| ARP ESSER III                                                                                                                                                            | 84.425U                         | S425U210027                                  | 100-034-5120-518                                | 98,281                        | 3/1/20-9/30/24                   | (20,434)                | 20,434                    | -                         | -           | -                      | -                                             |
| ARP Accelerated Learning                                                                                                                                                 | 84.425U                         | S425U210027                                  | 100-034-5120-518                                | 40,000                        | 3/1/20-9/30/24                   | (430)                   | 5,476                     | (5,046)                   | -           | -                      | -                                             |
| ARP Summer Learning and Enrichment                                                                                                                                       | 84.425U                         | S425U210027                                  | 100-034-5120-518                                | 40,000                        | 3/1/20-9/30/24                   | (22,674)                | 21,732                    | -                         | 942         | -                      | -                                             |
| ARP Evidence Based Comprehensive Beyond the School Day                                                                                                                   | 84.425U                         | S425U210027                                  | 100-034-5120-518                                | 45,000                        | 3/1/20-9/30/24                   | (15,071)                | 15,071                    | -                         | -           | -                      | -                                             |
| ARP - Mental Health Support Staffing                                                                                                                                     | 84.425U                         | S425U210027                                  | 100-034-5120-518                                |                               | 3/1/20-9/30/24                   | (65,081)                | 672,668                   | (23,006)                  | 1,419       | -                      | -                                             |
| <b>Total U.S. Department of Education</b>                                                                                                                                |                                 |                                              |                                                 |                               |                                  | (767,233)               | 1,262,212                 | (674,576)                 | 1,419       | -                      | (178,178)                                     |
| <b>Total Expenditures of Federal Awards</b>                                                                                                                              |                                 |                                              |                                                 |                               |                                  | \$ (773,128)            | \$ 1,481,857              | \$ (919,361)              | \$ 1,419    | \$ -                   | \$ (209,213)                                  |

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

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2025**

**Note 1. Basis of Presentation**

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

**Note 2. Summary of Significant Accounting Policies**

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2025. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2025.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2025 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$9,515) for the general fund and (\$426,424) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

| <u>Fund</u>                         | <u>Federal</u> | <u>State</u>  | <u>Total</u>  |
|-------------------------------------|----------------|---------------|---------------|
| General Fund                        | \$ 11,525      | \$ 9,468,716  | \$ 9,480,241  |
| Special Revenue Fund                | 1,101,000      | 823,411       | 1,924,411     |
| Capital Projects Fund               | -              | 40,192        | 40,192        |
| Debt Service Fund                   | -              | 326,080       | 326,080       |
| Food Service Fund                   | 233,260        | 7,770         | 241,030       |
| Total Awards & Financial Assistance | \$ 1,345,785   | \$ 10,666,169 | \$ 12,011,954 |

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

The Red Bank Regional High School District had no loan balances outstanding at June 30, 2025.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

**Section I - Summary of Auditor's Results**

**Financial Statements**

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

**Federal Awards**

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

Identification of major programs:

| <b><u>Assistance Listing Number(s)</u></b> | <b><u>FAIN Number(s)</u></b> | <b><u>Name of Federal Program or Cluster</u></b> |
|--------------------------------------------|------------------------------|--------------------------------------------------|
| 84.027A                                    | H027A240100                  | Special Education Cluster                        |
|                                            |                              |                                                  |
|                                            |                              |                                                  |
|                                            |                              |                                                  |
|                                            |                              |                                                  |

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

## State Financial Assistance

Identification of major programs:

**Name of State Program**

Debt Service Aid

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

**Section II - Financial Statement Findings**

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

None.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

**Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2025**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.