

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 16, 2025

NEW ISSUE – Book-Entry Only

**Rating: S&P: “AA”
See “RATING” herein**

In the opinion of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey ("Bond Counsel"), under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants described herein, interest on the Bonds (as herein defined) (i) is not includable in gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as a preference item under Section 57 of the Code for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. Bond Counsel is further of the opinion that, under existing laws of the State of New Jersey, interest on the Bonds and any gain on the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act, as amended. See "TAX EXEMPTION" herein.

**\$8,059,000
SCHOOL BONDS, SERIES 2025
THE BOARD OF EDUCATION OF THE
GREAT MEADOWS REGIONAL SCHOOL DISTRICT
IN THE COUNTY OF WARREN, NEW JERSEY
(New Jersey School Bond Reserve Act, 1980 N.J. Laws c. 72, as amended)**

**CALLABLE
BANK-QUALIFIED**

Dated: Date of Delivery

Due: May 1, as shown on inside cover

The \$8,059,000 aggregate principal amount of School Bonds, Series 2025 (the "Bonds") of The Board of Education of the Great Meadows Regional School District in the County of Warren, New Jersey (the "Board" when referring to the governing body and the "School District" when referring to the territorial boundaries governed by the Board) are valid and legally binding general obligations of the Board, and unless paid from other sources, are payable from *ad valorem* taxes levied upon all the taxable real property within the School District for the payment of the Bonds and the interest thereon without limitation as to rate or amount. Payment of the principal of and interest on the Bonds is also secured under the provisions of the New Jersey School Bond Reserve Act, 1980 N.J. Laws c. 72, as amended.

The Bonds will be issued as fully registered bonds in book-entry only form (without certificates) in the form of one certificate for the aggregate principal amount of the Bonds maturing in each year and when issued will be registered in the name of and held by Cede & Co., as nominee of The Depository Trust Company, Brooklyn, New York ("DTC"). Individual purchases may be made in the principal amount of \$1,000 each or any integral multiple thereof with a minimum purchase of \$5,000 required, through book-entries made on the books and records of DTC and its participants. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Bonds shall bear interest from their date of delivery, which interest shall be payable semi-annually on the first day of May and November in each year, commencing May 1, 2026, until maturity or prior redemption. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each immediately preceding April 15 and October 15 (the "Record Dates" for the payment of interest on the Bonds).

The Bonds are subject to redemption prior to their stated maturities as set forth herein. See "DESCRIPTION OF THE BONDS – Redemption" herein.

The Bonds are offered when, as and if issued and delivered to the Underwriter, subject to prior sale, to withdrawal or modification of the offer without notice and to approval of legality by the law firm of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Board, and certain other conditions described herein. Certain legal matters will be passed upon for the Board by The Busch Law Group, LLC, Metuchen, New Jersey, General Counsel to the Board. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, served as Municipal Advisor in connection with the issuance of the Bonds. Delivery of the Bonds in definitive form to DTC in Jersey City, New Jersey, is anticipated to occur on or about May 7, 2025.

ELECTRONIC SUBMISSIONS FOR THE BONDS, IN ACCORDANCE WITH THE FULL NOTICE OF SALE, MUST BE MADE VIA PARITY PRIOR TO 11:00 A.M. DAYLIGHT SAVING TIME ON APRIL 23, 2025 FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE FULL NOTICE OF SALE POSTED AT WWW.MUNIHUB.COM.

\$8,059,000
THE BOARD OF EDUCATION OF THE
GREAT MEADOWS REGIONAL SCHOOL DISTRICT
IN THE COUNTY OF WARREN, NEW JERSEY
SCHOOL BONDS, SERIES 2025

(New Jersey School Bond Reserve Act, 1980 N.J. Laws c. 72, as amended)
CALLABLE
BANK-QUALIFIED

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
YIELDS AND CUSIP NUMBERS

<u>Maturity</u> <u>(May 1)</u>	<u>Principal</u> <u>Amounts</u>	<u>Interest</u> <u>Rates</u>	<u>Yields</u>	<u>CUSIP</u> <u>Numbers*</u>
2027	\$444,000			390832__
2028	300,000			390832__
2029	310,000			390832__
2030	320,000			390832__
2031	335,000			390832__
2032	345,000			390832__
2033	360,000			390832__
2034	375,000			390832__
2035	390,000			390832__
2036	405,000			390832__
2037	425,000			390832__
2038	440,000			390832__
2039	460,000			390832__
2040	475,000			390832__
2041	495,000			390832__
2042	515,000			390832__
2043	535,000			390832__
2044	555,000			390832__
2045	575,000			390832__

* A registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the Board does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**THE BOARD OF EDUCATION OF THE
GREAT MEADOWS REGIONAL SCHOOL DISTRICT
IN THE COUNTY OF WARREN, NEW JERSEY**

BOARD MEMBERS

President – Shannon Schaaf
Vice President – Courtney Wenthen

Meredith-Lyn Avey
Daria Bracuti
Michael Lajterman
Lisa Vonder Haar
Matthew Wolfe
Heather Wulf
William Zaccheo

SUPERINTENDENT

Michael Mai

BUSINESS ADMINISTRATOR/BOARD SECRETARY

Samantha Westberg

BOARD ATTORNEY

The Busch Law Group, LLC
Metuchen, New Jersey

BOARD AUDITOR

BKC, CPAs, PC
Flemington, New Jersey

MUNICIPAL ADVISOR

Phoenix Advisors,
a division of First Security Municipal Advisors, Inc.
Hamilton, New Jersey

BOND COUNSEL

Wilentz, Goldman & Spitzer, P.A.
Woodbridge, New Jersey

No broker, dealer, salesperson or other person has been authorized by the Board to give any information or to make any representations with respect to the Bonds, other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the Board. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

The information contained herein has been provided by the Board, DTC and other sources deemed reliable by the Board; however, such information is not guaranteed as to its accuracy or completeness and such information is not to be construed as a representation or warranty by the Board, as to information from sources other than itself. The Board has not confirmed the accuracy or completeness of information relating to DTC, which information has been provided by DTC.

This Official Statement is not to be construed as a contract or agreement among the Board, the Underwriter and the owners of any of the Bonds. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

References in this Official Statement to the Constitution of the State of New Jersey, laws, rules, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents or laws are qualified in their entirety by reference to the particular source, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Board during normal business hours.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.

In order to facilitate the distribution of the Bonds, the Underwriter may engage in transactions intended to stabilize the price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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OFFICIAL STATEMENT

OF

THE BOARD OF EDUCATION OF THE GREAT MEADOWS REGIONAL SCHOOL DISTRICT IN THE COUNTY OF WARREN, NEW JERSEY

\$8,059,000

SCHOOL BONDS, SERIES 2025

(NEW JERSEY SCHOOL BOND RESERVE ACT, 1980 N.J. Laws c. 72, as amended)

**CALLABLE
BANK-QUALIFIED**

INTRODUCTION

This Official Statement, which includes the cover page and the appendices attached hereto, has been prepared by The Board of Education of the Great Meadows Regional School District in the County of Warren, New Jersey (the "Board" when referring to the governing body and the "School District" when referring to the territorial boundaries governed by the Board) in connection with the offering, sale and issuance of its \$8,059,000 aggregate principal amount of School Bonds, Series 2025 (the "Bonds"). This Official Statement has been executed by and on behalf of the Board by the Business Administrator/Board Secretary and its distribution and use in connection with the offering and sale of the Bonds have been authorized by the Board.

This Official Statement contains specific information relating to the Bonds including their general description, certain matters affecting the financing, certain legal matters, historical financial information and other information pertinent to this issue. This Official Statement should be read in its entirety.

All financial and other information presented herein has been provided by the Board from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historic information and, but only to the extent specifically provided herein, certain projections into the immediate future, and is not necessarily indicative of future or continuing trends in the financial position of the Board.

DESCRIPTION OF THE BONDS

The following is a summary of certain provisions of the Bonds. Reference is made to the Bonds themselves for the complete text thereof, and the discussion herein is qualified in its entirety by such reference.

Terms and Interest Payment Dates

The Bonds shall be dated their date of delivery and shall mature on May 1 in each of the years and in the amounts set forth on the inside cover page hereof. The Bonds shall bear interest from their date of delivery which interest shall be payable semi-annually on the first day of May and November (each an "Interest Payment Date"), commencing on May 1, 2026, in each of the years and at the interest rates set forth on the inside cover page hereof until maturity or prior redemption by check mailed by the Board or a duly appointed paying agent to the registered owners of the Bonds as of each April 15 and October 15 immediately preceding the respective Interest Payment Date (the "Record Dates"). So long as The Depository Trust Company, Brooklyn, New York ("DTC"), or its nominee is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Board or a designated paying agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC participants, which will in turn remit such payments to the beneficial owners of the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Bonds will be issued in fully registered book-entry only form, without certificates. One certificate shall be issued for the aggregate principal amount of the Bonds maturing in each year, and when issued, will be registered in the name of and held by Cede & Co., as nominee of DTC. DTC will act as Securities Depository for the Bonds (the "Securities Depository"). The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$1,000 each, or any integral multiple thereof with a minimum purchase of \$5,000 required, through book-entries made on the books and records of DTC and its participants. Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interests in the Bonds, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Bonds purchased. See "BOOK-ENTRY ONLY SYSTEM" herein.

Redemption

The Bonds of this issue maturing prior to May 1, 2033 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after May 1, 2033 are redeemable at the option of the Board in whole or in part on any date on or after May 1, 2032 upon notice as required herein at one hundred percent (100%) of the principal amount being redeemed (the "Redemption Price"), plus accrued interest to the date fixed for redemption.

Notice of Redemption

Notice of redemption ("Notice of Redemption") shall be given by mailing such notice at least thirty (30) days but not more than sixty (60) days before the date fixed for redemption by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Board or a duly appointed Bond Registrar. So long as DTC (or any successor thereto) acts as Securities Depository for the Bonds, Notice of Redemption shall be sent to such Securities Depository and shall not be sent to the beneficial owners of the Bonds. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the Board determines to redeem a portion of the Bonds prior to maturity, such Bonds shall be selected by the Board; the Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If Notice of Redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Interest shall cease to accrue on the Bonds after the date fixed for redemption.

Security for the Bonds

The Bonds are valid and legally binding general obligations of the Board, and the Board has irrevocably pledged its full faith and credit for the payment of the principal of and interest on the Bonds. Unless paid from other sources, the principal of and interest on the Bonds are payable from *ad valorem* taxes levied upon all the taxable real property within the School District without limitation as to rate or amount. The Bonds are additionally secured by the New Jersey School Bond Reserve Act, 1980 N.J. Laws c. 72, as amended.

School Bond Reserve Act (1980 N.J. Laws c. 72)

All school bonds are secured by the School Bond Reserve (the "School Bond Reserve") established in the Fund for the Support of Free Public Schools of the State of New Jersey (the "Fund") in accordance with the New Jersey School Bond Reserve Act, N.J.S.A. 18A:56-17 *et seq.* (P.L. 1980, c. 72, approved July 16, 1980, as amended by P.L. 2003, c. 118, approved July 1, 2003 (the "Act")). The 2003 amendments to the Act provide that the Fund will be divided into two (2) School Bond Reserve accounts. All bonds issued

prior to July 1, 2003 shall be benefited by a School Bond Reserve account funded in an amount equal to one and one-half percent (1.5%) of the aggregate issued and outstanding bonded indebtedness of counties, municipalities or school districts for school purposes (the "Old School Bond Reserve Account") and all bonds, including the Bonds, issued on or after July 1, 2003 shall be benefited by a School Bond Reserve account funded in an amount equal to one percent (1%) of the aggregate issued and outstanding bonded indebtedness of counties, municipalities or school districts for school purposes (the "New School Bond Reserve Account"), provided such amounts do not exceed the moneys available in the Fund. If a municipality, county or school district is unable to make payment of principal of or interest on any of its bonds issued for school purposes, the trustees of the Fund will purchase such bonds at par value and will pay to the bondholders the interest due or to become due within the limits of funds available in the applicable School Bond Reserve account in accordance with the provisions of the Act.

The Act provides that the School Bond Reserve shall be composed entirely of direct obligations of the United States government or obligations guaranteed by the full faith and credit of the United States government. Securities representing at least one-third of the minimal market value to be held in the School Bond Reserve shall be due to mature within one year of issuance or purchase. Beginning with the fiscal year ending on June 30, 2003 and continuing on each June 30 thereafter, the State Treasurer shall calculate the amount necessary to fully fund the Old School Bond Reserve Account and the New School Bond Reserve Account as required pursuant to the Act. To the extent moneys are insufficient to maintain each account in the School Bond Reserve at the required levels, the State agrees that the Treasurer of the State of New Jersey (the "State") shall, no later than September 15 of the fiscal year following the June 30 calculation date, pay to the trustees for deposit in the School Bond Reserve such amounts as may be necessary to maintain the Old School Bond Reserve Account and the New School Bond Reserve Account at the levels required by the Act. No moneys may be borrowed from the Fund to provide liquidity to the State unless the Old School Bond Reserve Account and the New School Bond Reserve Account each are at the levels certified as full funding on the most recent June 30 calculation date. The amount of the School Bond Reserve in each account is pledged as security for the prompt payment to holders of bonds benefited by such account of the principal of and the interest on such bonds in the event of the inability of the issuer to make such payments. In the event the amounts in either the Old School Bond Reserve Account or the New School Bond Reserve Account fall below the amount required to make payments on bonds, the amounts in both accounts are available to make payments for bonds secured by the School Bond Reserve.

The Act further provides that the amount of any payment of interest or purchase price of school bonds paid pursuant to the Act shall be deducted from the appropriation or apportionment of State aid, other than certain State aid which may be otherwise restricted pursuant to law, payable to the school district, county or municipality and shall not obligate the State to make, nor entitle the school district, county or municipality to receive, any additional appropriation or apportionment. Any amount so deducted shall be applied by the State Treasurer to satisfy the obligation of the school district, county or municipality arising as a result of the payment of interest or purchase price of bonds pursuant to the Act.

Authorization and Purpose

The Bonds have been authorized and are issued pursuant to (i) Title 18A, Chapter 24 of the New Jersey Statutes, Chapter 271 of the Laws of 1967, as amended and supplemented, (ii) a proposal adopted by the Board pursuant to a resolution adopted on December 19, 2024 and approved by the affirmative vote of a majority of the legal voters present and voting at a special School District election held on March 11, 2025 and (iii) a resolution duly adopted by the Board on April 10, 2025 (the "Resolution").

The proceeds of the Bonds will be used to finance various capital improvements in and for the School District (the "Project") and to pay the costs of issuance associated with the issuance of the Bonds. The State has awarded the School District aid for the Project in the amount of forty percent (40%) of the eligible costs of such Project. As such, the State has agreed to pay forty percent (40%) of the annual debt service on the eligible costs financed by the Bonds each year.

BOOK-ENTRY ONLY SYSTEM*

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal and interest, and other payments on the Bonds to DTC Participants or Beneficial Owners (as such terms are defined or used herein), confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Board. Accordingly, the Board does not make any representations concerning these matters.

DTC will act as Securities Depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds, as set forth on the inside cover hereof, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

* Source: The Depository Trust Company

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Notices of Redemption shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds, unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Board or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Direct and Indirect Participant and not of DTC, nor its nominee, Paying Agent or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as Securities Depository with respect to the Bonds at any time by giving reasonable notice to the Board or Paying Agent. Under such circumstances, in the event that a successor Securities Depository is not obtained, Bond certificates are required to be printed and delivered.

The Paying Agent, upon direction of the Board, may decide to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

Discontinuance of Book-Entry Only System

In the event that the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the Bonds, the following provisions apply: (i) the Bonds may be exchanged for an equal aggregate principal amount of Bonds in other authorized denominations and of the same maturity, upon surrender thereof at the office of the Board or its paying agent; (ii) the transfer of any Bonds may be registered on the books maintained by the registrar for such purposes only upon the surrender thereof to the Board or its paying agent together with the duly executed assignment in form satisfactory to the Board or its paying agent; and (iii) for every exchange or registration of transfer of Bonds, the Board or its paying

agent may make a charge sufficient to reimburse for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Bonds. Interest on the Bonds will be payable by check or draft mailed on each Interest Payment Date to the registered owners thereof as of the close of business on the Record Dates.

THE SCHOOL DISTRICT AND THE BOARD

The Board is a nine (9) member board with members elected for staggered three (3) year terms. The Superintendent of Schools is the chief administrative officer of the School District. The Business Administrator/Board Secretary is the chief financial officer of the School District and oversees the board's business functions. The Business Administrator/Board Secretary reports to the Superintendent of Schools.

The School District is a Type II school district serving the Township of Independence and the Township of Liberty (the "Constituent Municipalities") and provides a full range of educational services appropriate to pre-kindergarten ("Pre-K") through grade eight (8), including regular and special education programs for the Constituent Municipalities. The School District operates ones (1) elementary school, and one (1) middle school. See "APPENDIX A – Certain Economic and Demographic Information Relating to the School District and the Constituent Municipalities."

THE STATE'S ROLE IN PUBLIC EDUCATION

The Constitution of the State of New Jersey provides that the State shall provide for the maintenance and support of a thorough and efficient ("T&E") system of free public schools for the instruction of all children between the ages of 5 and 18 years. Case law has expanded the responsibility to include children between the ages of 3 and 21.

The responsibilities of the State with respect to the general supervision and control of public education have been delegated to the New Jersey Department of Education (the "Department"), which is a part of the executive branch of the State government and was created by the State Legislature. The Department is governed and guided by the policies set forth by the New Jersey State Board of Education (the "State Board"). The State Board is responsible for the general supervision and control of public education and is obligated to formulate plans and to make recommendations for the unified, continuous and efficient development of public education of all people of all ages within the State. To fulfill these responsibilities, the State Board has the power, *inter alia*, to adopt rules and regulations that have the effect of law and that are binding upon school districts, to acquire land and other property.

The Commissioner of Education (the "Commissioner") is the chief executive and administrative officer of the Department. The Commissioner is appointed by the Governor of the State with the advice and consent of the State Senate, and serves at the pleasure of the Governor during the Governor's term of office. The Commissioner is Secretary and Chief Executive Officer of the State Board and is responsible for the supervision of all school districts in the State and is obligated to enforce the rules and regulations of the State Board. The Commissioner has the authority to recommend the withholding of State financial aid and the Commissioner's consent is required for authorization to sell school bonds that exceed the debt limit of the municipality in which the school district is located and may also set the amount to be raised by taxation for a board of education if a school budget has not been approved by a board of school estimate or by the voters.

An Executive County Superintendent of Schools (the "County Superintendent") is appointed for each county in the State by the Governor, upon the recommendation of the Commissioner with the advice and consent of the State Senate. The County Superintendent is the local representative of the Commissioner. The County Superintendent is responsible for the daily supervision of the school districts in the county and is charged with the enforcement of rules pertaining to the certification of teachers, pupil registers and financial reports and the review of budgets. Under the Uniform Shared Services and Consolidation Act, P.L. 2007, c. 63, effective April 3, 2007, the role of the County Superintendent was changed to create the post of the Executive County Superintendent with expanded powers for the operation and management of school districts to, among other things, promote administrative and operational efficiencies, eliminate non-operating school districts and recommend a school district consolidation plan to

eliminate districts through the establishment or enlargement of regional school districts, subject to voter approval.

STRUCTURE OF SCHOOL DISTRICTS IN NEW JERSEY

Categories of School Districts

State school districts are characterized by the manner in which the board of education or the governing body takes office. School districts are principally classified in the following categories:

(1) Type I, in which the mayor or chief executive officer ("CEO") of a municipality appoints the members of a board of education and a board of school estimate. The board of school estimate consists of two (2) members of the board of education, two (2) members of the governing body of the municipality and the mayor or CEO of the municipality comprising the school district, and approves all fiscal matters;

(2) Type II, in which the registered voters within a school district elect the members of a board of education and either (a) the registered voters also vote upon all fiscal matters with the exception set forth in the new Budget Election Law (as hereinafter defined in "School Budgetary Process"), or (b) a board of school estimate, consisting of two (2) members of the governing body of and the CEO of each municipality within the school district and the president of and one member of the board of education, and approves all fiscal matters;

(3) Regional and consolidated school districts comprising the territorial boundaries of more than one municipality in which the registered voters within the school district elect members of the board of education and vote upon all fiscal matters with certain exceptions. Regional school districts may be "All Purpose Regional School Districts" or "Limited Purpose Regional School Districts";

(4) State-operated school districts created by the State Board, pursuant to State law, when a local board of education cannot or will not correct severe educational deficiencies;

(5) County vocational school districts have boards of education consisting of the County Superintendent and four (4) members unless it is a county of the first class, which adopted an ordinance, in which case it can have a board consisting of seven (7) appointed members which the board of county commissioners of the county appoints. Such vocational school districts shall also have a board of school estimate, consisting of two (2) members appointed by the board of education of the school district, two (2) members appointed by the board of county commissioners and a fifth member being the county executive or the director of the board of county commissioners of the county, which approves all fiscal matters; and

(6) County special services school districts have boards of education consisting of the County Superintendent and six (6) persons appointed by the board of county commissioners of the county. Such special services school districts shall also have a board of school estimate, consisting of two (2) members appointed by the board of education of the school, two (2) members appointed by the board of county commissioners and a fifth member being the commissioner-director of the board of county commissioners, which approves all fiscal matters.

There is a procedure whereby a Type I school district or a Type II school district may change from one type to the other after an approving public referendum. Such a public referendum must be held whenever directed by the municipal governing body or board of education in a Type I district, or the board of education in a Type II district, or when petitioned for by fifteen percent (15%) of the voters of any school district. The School District is a Type II school district with a board of school estimate.

School Budgetary Process (N.J.S.A. 18A:22-1 et seq.)

In a Type I school district and a Type II school district with a board of school estimate, a separate body from the school district, known as the board of school estimate, examines the budget requests and

fixes the appropriation amounts for the next year's operating budget at or after a public hearing. This board, whose composition is fixed by statute, certifies the budget to the municipal governing body or board of education. If the board of education disagrees with the certified budget of the board of school estimate, then it can appeal to the Commissioner to request changes.

In a Type II school district, the elected board of education develops the budget proposal and, at or after a public hearing, submits it for voter approval unless the Board has moved its annual election to November, as discussed below. Debt service provisions are not subject to public referendum. If approved, the budget goes into effect. If defeated, the governing bodies of the constituent municipalities must develop the school budget by May 19 of each year. Should the governing bodies be unable to do so, the Commissioner establishes the local school budget.

The Budget Election Law, P.L. 2011, c. 202, effective January 17, 2012 (the "Budget Election Law") establishes procedures that allow the date of the annual school election of a Type II school district, without a board of school estimate, to be moved from April to the first Tuesday after the first Monday in November, to be held simultaneously with the general election. Such change in the annual school election date must be authorized by resolution of either the board of education or the governing body of the municipality, or by an affirmative vote of a majority of the voters whenever a petition, signed by at least fifteen percent (15%) of the legally qualified voters, is filed with the board of education. Once the annual school election is moved to November, such election may not be changed back to an April annual school election for four (4) years.

School districts that opt to move the annual school election to November are no longer required to submit the budget to the voters for approval if the budget is at or below the two percent (2%) property tax levy cap as provided in the Tax Levy Cap Law (as hereinafter defined).

The Board conducts its annual election in November.

SUMMARY OF CERTAIN PROVISIONS FOR THE PROTECTION OF SCHOOL DEBT

Levy and Collection of Taxes

School districts in the State do not levy or collect taxes to pay those budgeted amounts which are not provided by the State. The municipality within which a school district is situated levies or collects the required taxes and must remit them in full to the school district.

Budgets and Appropriations

School districts in the State must operate on an annual modified accrual basis budget. Each school district must adopt an annual budget in such detail and upon forms as prescribed by the Commissioner, to which must be attached an itemized statement showing revenues, including State and Federal aid, and expenditures. The Commissioner must approve a budget prior to its final adoption and has the power to increase or decrease individual line items in a budget. Any amendments to a school district's budget must be approved by the board of education or the board of school estimate, as the case may be. Every budget submitted must provide no less than the minimum permissible amount deemed necessary under State law to provide for a thorough and efficient education as mandated by the State Constitution. The Commissioner may not approve any budget unless the Commissioner is satisfied that the school district has adequately implemented within the budget the Core Curriculum Content Standards (as defined herein) required by State law. If necessary, the Commissioner is authorized to order changes in the local school district's budget. The Commissioner will also ensure that other provisions of law are met including the limitations on taxes and spending explained below.

Tax and Spending Limitations

The Public School Education Act of 1975, N.J.S.A. 18A:7A-1 et seq., P.L. 1975, c. 212 (as amended and partially repealed), first limited the amount of funds that could be raised by a local school district. It limited the annual increase of any school district's net current expense budget. The budgetary limitations

were known as a “CAP” on expenditures. The “CAP” was intended to control the growth in local property taxes. Subsequently there have been numerous legislative changes as to how the spending limitations would be applied.

The Quality Education Act of 1990, N.J.S.A. 18A:7D-1 et seq., P.L. 1990, c. 52 (the “QEA”) (now repealed), also limited the annual increase in the school district’s current expense and capital outlay budgets by a statutory formula linked to the annual percentage increase in per capita income. The QEA was amended and revised by chapter 62 of the Laws of New Jersey of 1991, and further amended by chapter 7 of the Laws of New Jersey of 1993.

The Comprehensive Educational Improvement and Financing Act of 1996, N.J.S.A. 18A:7F-1 et seq., P.L. 1996, c. 138 (the “CEIFA”), as amended by P.L. 2004, c. 732, effective July 1, 2004, also limited the annual increase in a school district’s net budget by a spending growth limitation. The CEIFA limited the amount school districts can increase their annual current expense and capital outlay budgets (the “Spending Growth Limitations”). Generally, budgets could increase either by two and one-half percent (2.5%) or the consumer price index, whichever is greater. Amendments to the CEIFA decreased the budget cap to two and one-half percent (2.5%) from three percent (3%). Budgets could also increase because of certain adjustments for enrollment increases, certain capital outlay expenditures, pupil transportation costs, and special education costs that exceeded \$40,000 per pupil. Waivers were available from the Commissioner based on increasing enrollments and other fairly narrow grounds and increases higher than the cap could be approved by a vote of sixty percent (60%) at the annual school election.

P.L. 2007, c. 62, effective April 3, 2007, provided additional limitations on school district spending by limiting the amount a school district could raise for school district purposes through the property tax levy by four percent (4%) over the prior budget year’s tax levy. P.L. 2007, c. 62 provided for adjustments to the cap for increases in enrollment, reductions in State aid and increased health care costs and for certain other extraordinary cost increases that required approval by the Commissioner. The bill granted discretion to the Commissioner to grant other waivers from the cap for increases in special education costs, capital outlay, and tuition charges. The Commissioner also had the ability to grant extraordinary waivers to the tax levy cap for certain other cost increases beginning in fiscal year 2009 through 2012.

P.L. 2007, c. 62 was deemed to supersede the prior limitations on the amount school districts could increase their annual current expense and capital outlay budgets created by CEIFA (as amended by P.L. 2004, c. 73, effective July 1, 2004). However, chapter 62 was in effect only through fiscal year 2012. Without an extension of chapter 62 by the legislature, the Spending Growth Limitations on the general fund and capital outlay budget would be in effect.

Debt service was not limited either by the Spending Growth Limitations or the four percent (4%) cap on the tax levy increase imposed by chapter 62.

The previous legislation was amended by P.L. 2010, c. 44, effective July 13, 2010 and became applicable to the next local budget year following enactment. This law limits the school district tax levy for the general fund budget to increases of two percent (2%) over the prior budget year with exceptions only for enrollment increases, increases for certain normal and accrued liability for pension contributions in excess of two percent (2%), certain healthcare increases, and amounts approved by a simple majority of voters voting at a special election (the “Tax Levy Cap Law”). Additionally, also becoming effective in the 2011-2012 fiscal year, a school district that has not been granted approval to exceed the tax levy cap by a separate proposal can bank the unused tax levy for use in any of the next three (3) succeeding budget years. A school district can request a use of “banked cap” only after it has fully exhausted all eligible statute spending authority in the budget year. The process for obtaining waivers from the Commissioner for additional increases over the tax levy cap or Spending Growth Limitations was eliminated under chapter 44. Notwithstanding the foregoing, under P.L. 2018, c. 67, effective July 24, 2018, which increases State school aid to underfunded school districts and decreases state school aid to overfunded school districts, during the 2018-2019 through 2024-2025 fiscal years, SDA Districts, which are certain urban districts formerly referred to as Abbott Districts referred to herein under “SUMMARY OF STATE AID TO SCHOOL DISTRICTS”, are permitted increases in the tax levy over the two percent (2%) limit to raise a general fund tax levy to an amount that does not exceed its local share of the adequacy budget.

The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund. There are no restrictions on a local school district's ability to raise funds for debt service, and nothing would limit the obligation of a school district to levy *ad valorem* taxes upon all taxable real property within the school district to pay debt service on its bonds or notes with one exception. School districts are subject to GAAP accounting, and under GAAP interest on obligations maturing within one (1) year must be treated as operating expenses. Accordingly, under the Department of Education's Chart of Accounts, interest on notes is raised in the General Fund of a school district and therefore is counted within its two percent (2%) tax levy cap on spending.

Issuance of Debt

Among the provisions for the issuance of school debt are the following requirements: (i) bonds must mature in serial installments within the statutory period of usefulness of the projects being financed but not exceeding forty (40) years, (ii) debt must be authorized by a resolution of a board of education (and approved by a board of school estimate in a Type I school district and a Type II school district with a board of school estimate), and (iii) there must be filed with the State by each municipality comprising a school district a Supplemental Debt Statement and a school debt statement setting forth the amount of bonds and notes authorized but unissued and outstanding for such school district.

Annual Audit (N.J.S.A. 18A:23-1 et seq.)

Every board of education is required to provide an annual audit of the school district's accounts and financial transactions. The audit must be performed by a licensed public school accountant no later than five (5) months after the end of the school fiscal year or by the date extended by statute or by the State of New Jersey Department of Education. The audit, in conformity with statutory requirements, must be filed with the board of education and the Commissioner. Additionally, the audit must be summarized and discussed at a regular public meeting of the local board of education within thirty (30) days following receipt of the annual audit by such board of education.

Temporary Financing (N.J.S.A. 18A:24-3)

Temporary notes may be issued in anticipation of the issuance of permanent bonds for a capital improvement or capital project. Such temporary notes may not exceed in the aggregate the amount of bonds authorized for such improvement or project. A school district's temporary notes may be issued for one (1) year periods, with the final maturity not exceeding five (5) years from the date of original issuance; provided, however, that no such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which said notes are issued, is paid and retired subsequent to such third anniversary date from funds other than the proceeds of obligations. School districts must include in each annual budget the amount of interest due and payable in each fiscal year on all outstanding temporary notes.

Capital Lease Financing

School districts are permitted to enter into lease purchase agreements for the acquisition of equipment or for the improvement of school buildings. Generally, lease purchase agreements cannot exceed five (5) years except for certain energy-saving equipment which may be financed for up to fifteen (15) years if paid from energy savings. Lease purchase agreements for a term of five (5) years or less must be approved by the Commissioner. The Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (the "EFCFA"), repealed the authorization to enter into facilities leases in excess of five (5) years. The payment of rent on an equipment lease and on a five (5) year and under facilities lease purchase is treated as a current expense and within the cap on the school district's budget. Under the CEIFA, financed purchase payments on leases in excess of five (5) years issued under prior law are treated as debt service payments and, therefore, will receive debt service aid if the school district is entitled and are outside the school district's tax levy cap.

Debt Limitation (N.J.S.A. 18A:24-19)

Except as provided below, no additional debt shall be authorized if the principal amount, when added to the net debt previously authorized, exceeds a statutory percentage of the average equalized valuation of taxable property in a school district. As a grades pre-kindergarten (Pre-K) through eight (8) school district, the School District can borrow up to three percent (3%) of the average equalized valuation of taxable property in the School District. The School District has not exceeded its three percent (3%) debt limit. See "APPENDIX A – Certain Economic and Demographic Information Relating to the School District and the Constituent Municipalities.

Exceptions to Debt Limitation

A Type II school district (other than a regional district) may also utilize its constituent municipality's remaining statutory borrowing power (i.e. the excess of three and one-half percent (3.5%) of the average equalized valuation of taxable property within the constituent municipality over the constituent municipality's net debt). A school district may also authorize debt in excess of this limit with the consent of the Commissioner and the Local Finance Board.

Energy Saving Obligations

Under P.L. 2009, c. 4, approved January 21, 2009 and effective sixty (60) days thereafter, school districts may issue "energy savings obligations" without voter approval to fund certain improvements that result in reduced energy use, facilities for production of renewable energy or water conservation improvements provided that the amount of the savings will cover the cost of the improvements.

SUMMARY OF STATE AID TO SCHOOL DISTRICTS

In 1973, the Supreme Court of the State of New Jersey (the "Court") ruled in *Robinson v. Cahill* that the method then used to finance public education principally through property taxation was unconstitutional. Pursuant to the Court's ruling, the Legislature enacted the Public School Education Act of 1975, N.J.S.A. 18A:7A-1 et seq., P.L. 1975, c. 212 (the "Public School Education Act") (as amended and partially repealed), which required funding of the State's school aid through the New Jersey Gross Income Tax Act, P.L. 1976, c. 47, as amended and supplemented, enacted for the purpose of providing property tax relief.

On June 5, 1990, the Court ruled in *Abbott v. Burke* that the school aid formula enacted under the Public School Education Act was unconstitutional as applied. The Court found that poorer urban school districts (previously called "Abbott Districts", now referred to as "SDA Districts") were significantly disadvantaged under that school funding formula because school revenues were derived primarily from property taxes. The Court found that wealthy school districts were able to spend more, yet tax less for educational purposes.

Since that time there has been much litigation and many cases affecting the State's responsibilities to fund public education and many legislative attempts to distribute State aid in accordance with the court cases and the constitutional requirement. The cases addressed not only current operating fund aid but also addressed the requirement to provide facilities aid as well. The legislation has included QEA, CEIFA and EFCFA. For many years aid has simply been determined in the State Budget, which itself is an act of the legislature, based upon amounts provided in prior years. The school funding formula, provided in the School Funding Reform Act of 2008, P.L. 2007, c. 260, effective January 1, 2008, attempts to remove the special status given to certain school districts known as Abbott Districts after the school funding cases and instead has funding follow students with certain needs and provides aid in a way that takes into account the ability of the local school district to raise local funds to support the budget in amounts deemed adequate to provide for a thorough and efficient education as required by the State constitution. This legislation was challenged in the Court, and the Court held that the State's then current plan for school aid was a "constitutionally adequate scheme." However, the State continued to underfund certain school districts and to overfund other school districts in its budgets based on the statutory scheme. Since 2019 and in accordance with the enactment of P.L. 2018, c. 67, effective July 24, 2018, the State has increased funding

for underfunded school districts and decreased funding for overfunded school districts and will continue to do so as set forth therein. It has also provided cap relief for overfunded school districts to enable them to pick up more of the local share.

Notwithstanding over thirty-five (35) years of litigation, the State provides State aid to school districts of the State in amounts provided in the State budget each year. These now include equalization aid, special education categorical aid, transportation aid, preschool education aid, instructional supplement aid, supplemental core curriculum standards aid, distance learning network aid, bilingual aid, security aid, adjustment aid and other aid determined in the discretion of the Commissioner.

State law requires that the State will provide aid for the construction of school facilities in an amount equal to the greater of the district aid percentage or forty percent (40%) times the eligible costs determined by the Commissioner either in the form of a grant or debt service aid as determined under the EFCFA. The amount of aid to which a school district is entitled is established prior to the authorization of the project. Grant funding is provided by the State upfront and debt service aid must be appropriated annually by the State.

The State has reduced debt service aid by fifteen percent (15%) annually since fiscal year 2011. As a result of the debt service aid reduction for those fiscal years, school districts received eighty-five percent (85%) of the debt service aid that they would have otherwise received. In addition, school districts which received grants under the EFCFA, which grants were financed through the New Jersey Economic Development Authority (the "EDA"), were assessed an amount in each fiscal year budget since 2011 representing fifteen percent (15%) of the school district's proportionate share of the principal and interest payments on the outstanding EDA bonds issued to fund such grants.

Pursuant to P.L. 2018, c. 67, effective July 24, 2018, the School Funding Reform Act has been modified to adjust the distribution of State aid to school districts in the State ("SFRA Modification Law"). In particular, the SFRA Modification Law revises the School Funding Reform Act so that, after calculating the amount of State aid available per pupil, State aid will be distributed to each school district based on student enrollment. The SFRA Modification Law also eliminates the application of the State aid growth limit and adjustment aid, but includes a transition period for school districts that will receive less State aid. Under the SFRA Modification Law, most school districts that will receive reduced State aid resulting from the revised funding formula will be provided a seven (7) year transition period during which funding will be reduced. For those school districts where State aid will increase under the SFRA Modification Law, the transition period to increase funding will be one (1) year.

SUMMARY OF FEDERAL AID TO SCHOOL DISTRICTS

Federal funds are available for certain programs approved by the Federal government with allocation decided by the State, which assigns a proportion to each local school district. The Every Student Succeeds Act of 2015, enacted December 10, 2015, is a Federal assistance program for which a school district qualifies to receive aid. A remedial enrichment program for children of low income families is available under Chapter 1 Aid. Such Federal aid is generally received in the form of block grants. Aid is also provided under the Individuals with Disabilities Education Act although never in the amounts Federal law required.

MUNICIPAL FINANCE - FINANCIAL REGULATION OF COUNTIES AND MUNICIPALITIES

Local Bond Law (N.J.S.A. 40A:2-1 et seq.)

The Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"), governs the issuance of bonds and notes to finance certain municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects financed and that bonds be retired in serial installments. A five percent (5%) cash down payment is generally required toward the financing of expenditures for municipal purposes. All bonds and notes issued by the Township are general full faith and credit obligations.

The authorized bonded indebtedness of the Constituent Municipalities is limited by statute, subject to certain exceptions noted below, to an amount equal to three and one-half percent (3.5%) of its average equalized valuation basis. The average for the last three (3) years of the equalized value of all taxable real property and improvements and certain Class II railroad property within the Constituent Municipalities as annually determined by the New Jersey Board of Taxation is set forth in APPENDIX A.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

A municipality may exceed its debt limit with the approval of the Local Finance Board, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, a municipality may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the municipality or substantially reduce the ability of the municipality to meet its obligations or to provide essential public improvements and services, or makes certain other statutory determinations, approval is granted. In addition, debt in excess of the statutory limit may be issued by the municipality to fund certain notes, to provide for self-liquidating purposes, and, in each fiscal year, in an amount not exceeding 2/3 of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

A municipality may sell "bond anticipation notes" to temporarily finance a capital improvement or project in anticipation of the issuance of bonds, if the bond ordinance or subsequent resolution so provides. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the bond ordinance, as it may be amended and supplemented, creating such capital expenditure. A local unit's bond anticipation notes may be issued for periods not exceeding one (1) year. Generally, bond anticipation notes may not be outstanding for longer than ten (10) years. An additional period may be available following the tenth anniversary date equal to the period from the notes' maturity to the end of the tenth fiscal year in which the notes mature plus four (4) months in the next following fiscal year from the date of original issuance. Beginning in the third year, the amount of notes that may be issued is decreased by the minimum amount required for the first year's principal payment for a bond issue.

Local Budget Law (N.J.S.A. 40A:4-1 et seq.)

The foundation of the State local finance system is the annual modified accrual basis budget. Every local unit must adopt an annual operating budget in the form required by the Division of Local Government Services, New Jersey Department of Community Affairs (the "Division"). Certain items of revenue and appropriation are regulated by law and the proposed budget cannot be finally adopted until it has been certified by the Director of the Division (the "Director"), or in the case of a local unit's examination of its own budget, such budget cannot be finally adopted until a local examination certificate has been approved by the Chief Financial Officer and governing body of the local unit. The Local Budget Law, N.J.S.A. 40A:4-1 et seq. (the "Local Budget Law") requires each local unit to appropriate sufficient funds for the payment of current debt service, and the Director or, in the case of local examination, the local unit, may review the adequacy of such appropriations.

Tax anticipation notes are limited in amount by law and must be paid off in full within 120 days of the close of the fiscal year in which they were issued.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the budgetary review functions focusing on anticipated revenues serve to protect the solvency of all local units.

The annual modified accrual basis budgets of local units must be in balance, i.e., the total of anticipated revenues must equal the total of appropriations. N.J.S.A. 40A:4-22. If in any year a local unit's expenditures exceed its realized revenues for that year, then such excess must be raised in the succeeding year's budget.

A provision in the Local Budget Law, N.J.S.A. 40A:4-26, provides that: "[n]o miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit."

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval of such anticipated revenues, except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with a municipality's calendar fiscal year. However, grant revenue is generally not realized until received in cash.

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the local unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by December 31 of that year. The budget also must provide for any cash deficits of the prior year.

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body. However, with minor exceptions, such appropriations must be included in full in the following year's budget. When such appropriations exceed three percent (3%) of the adopted operating budget, consent of the Director must be obtained.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as (i) the repair and reconstruction of streets, roads or bridges damaged by snow, ice, frost, or floods, which may be amortized over three (3) years, and (ii) the repair and reconstruction of streets, roads, bridges or other public property damaged by flood or hurricane, where such expense was unforeseen at the time of budget adoption, the repair and reconstruction of private property damaged by flood or hurricane, tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparations, drainage map preparation for flood control purposes, studies and planning associated with the construction and installation of sanitary sewers, authorized expenses of a consolidated commission, contractually required severance liabilities resulting from the layoff or retirement of employees and the preparation of sanitary and storm system maps, all of which projects set forth in this section (ii) may be amortized over five (5) years. N.J.S.A. 40A:4-53, -54, -55, -55.1. Emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project as described above.

Budget transfers provide a degree of flexibility and afford a control mechanism. Pursuant to N.J.S.A. 40A:4-58, transfers between appropriation accounts are prohibited until the last two (2) months of the year. Appropriation reserves may be transferred during the first three (3) months of the year, to the previous year's budget. N.J.S.A. 40A:4-59. Both types of transfers require a 2/3 vote of the full membership of the governing body. Although sub-accounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval. Certain types of appropriations are excluded from the provisions permitting transfers. Generally, transfers cannot be made from the down payment account, interest or debt redemption charges or the capital improvement fund or for contingent expenses.

Municipal public utilities are supported by the revenues generated by the respective operations of the utilities, in addition to the general taxing power upon taxable property. For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the

utilities. Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the "Current" or operating budget.

In accordance with the Local Budget Law, each local unit must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six (6) years as a general improvement program. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures which the local unit may contemplate over the next six (6) years. Expenditures for capital purposes may be made either by ordinances adopted by the governing body setting forth the items and the method of financing or from the annual operating budget if the terms were detailed.

Fiscal Year Adjustment Law (1991 N.J. Laws c. 75)

Chapter 75 of the Laws of New Jersey of 1991, requires certain municipalities and permits all other municipalities to adopt the State fiscal year in place of the existing calendar fiscal year. Municipalities that change fiscal years must adopt a six (6) month transition budget for January 1 through June 30. Since expenditures would be expected to exceed revenues primarily because State aid for the calendar year would not be received by the municipality until after the end of the transition year budget, the act authorizes the issuance of Fiscal Year Adjustment Bonds to fund the one time deficit for the six (6) month transition budget. The law provides that the deficit in the six (6) month transition budget may be funded initially with bond anticipation notes based on the estimated deficit in the six (6) month transition budget. Notes issued in anticipation of Fiscal Year Adjustment Bonds, including renewals, can only be issued for up to one (1) year unless the Local Finance Board permits the municipality to renew them for a longer period of time. The Local Finance Board must confirm the actual deficit experienced by the municipality. The municipality then may issue Fiscal Year Adjustment Bonds to finance the deficit on a permanent basis. The purpose of the act is to assist municipalities that are heavily dependent on State aid and that have had to issue tax anticipation notes to fund operating cash flow deficits each year. While the law does not authorize counties to change their fiscal years, it does provide that counties with cash flow deficits may issue Fiscal Year Adjustment Bonds as well.

State Supervision

State law authorizes State officials to supervise fiscal administration in any municipality which is in default on its obligations; which experiences severe tax collection problems for two (2) successive years; which has a deficit greater than four percent (4%) of its tax levy for two (2) successive years; which has failed to make payments due and owing to the State, county, school district or special district for two (2) consecutive years; which has an appropriation in its annual budget for the liquidation of debt which exceeds twenty-five percent (25%) of its total operating appropriations (except dedicated revenue appropriations) for the previous budget year; or which has been subject to a judicial determination of gross failure to comply with the Local Bond Law, the Local Budget Law, or the Local Fiscal Affairs Law, N.J.S.A. 40A:5-1 et seq., which substantially jeopardizes its fiscal integrity. State officials are authorized to continue such supervision for as long as any of the conditions exist and until the municipality operates for a fiscal year without incurring a cash deficit.

Appropriations "Cap"

The New Jersey "Cap Law" (the "Cap Law") (N.J.S.A. 40A:4-45.1 et seq.) places limits on municipal tax levies and expenditures. The Cap Law provides that a local unit shall limit any increase in its budget to two and one-half percent (2.5%) or the Cost-Of-Living Adjustment (as defined in the Cap Law), whichever is less, of the previous year's final appropriations, subject to certain exceptions. The Cost-Of-Living Adjustment is defined as the rate of annual percentage increase, rounded to the nearest half percent, in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services produced by the United States Department of Commerce for the year preceding the current year as announced by the Director. However, in each year in which the Cost-Of-Living Adjustment is equal to or less than two and one-half percent (2.5%), a local unit may, by ordinance, approved by a majority vote of the full membership of the governing body, provide that the final appropriations of the local unit for such year be increased by a

percentage rate that is greater than the Cost-Of-Living Adjustment, but not more than three and one-half percent (3.5%) over the previous year's final appropriations. In addition, N.J.S.A. 40A:4-45.15a restored "cap" banking to the Local Budget Law. Municipalities are permitted to appropriate available "cap bank" in either of the next two (2) succeeding years' final appropriations. Along with the permitted increases for total general appropriations there are certain items that are allowed to increase outside the "cap".

Additionally, P.L. 2010, c. 44, effective July 13, 2010, imposes a two percent (2%) cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for capital expenditures, including debt service, increases in pension contributions in excess of two percent (2%), certain increases in health care over two percent (2%), and extraordinary costs incurred by a local unit directly related to a declared emergency. The governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory, to increase the amount to be raised by taxation, and voters may approve increases above two percent (2%) not otherwise permitted under the law by an affirmative vote of fifty percent (50%).

The Division has advised that counties and municipalities must comply with both the budget "cap" and the tax levy limitation. Neither the tax levy limitation nor the Cap Law, however, limits the obligation of the county or municipality to levy *ad valorem* taxes upon all taxable property within its boundaries to pay debt service on its bonds and notes.

Tax Assessment and Collection Procedure

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income (where appropriate). Current assessments are the result of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners. However, a divergence of the assessment ratio to true value is typically due to changes in market value over time.

Upon the filing of certified adopted budgets by the local unit, the local school district and the county, the tax rate is struck by the county Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provisions for the assessment of property, the levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 *et seq.* Special taxing districts are permitted in the State for various special services rendered to the properties located within the special districts.

Generally, tax bills are mailed annually in June of the current fiscal year. The taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1. The August and November tax bills are determined as the full tax levied for municipal, county and school purposes for the current municipal fiscal year, less the amount charged for the February and May installments for municipal, county and school purposes in the current fiscal year. The amounts due for the February and May installments are determined by the municipal governing body as either one-quarter or one-half of the full tax levied for municipal, county and school purposes for the preceding fiscal year.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent (8%) per annum on the first \$1,500.00 of the delinquency and eighteen percent (18%) per annum on any amount in excess of \$1,500.00. Pursuant to 1991 N.J. Laws c. 75, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent (6%) of the amount of the delinquency. These penalties and interest rates are the highest permitted under State statutes. Delinquent taxes open for one (1) year or more are annually included in a tax sale in accordance with State statutes.

Tax Appeals

State statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the county Board of Taxation on or before April 1 of the

current year for review. The county Board of Taxation has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the county Board of Taxation, appeal may be made to the Tax Court of the State of New Jersey (the "State Tax Court") for further hearing. Some State Tax Court appeals may take several years prior to settlement and any losses in tax collections from prior years are charged directly to operations.

Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)

This law regulates the nonbudgetary financial activities of local governments. The chief financial officer of every local unit must file annually with the Director a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of each local unit's accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division's "Requirements of Audit," includes recommendations for improvement of the local unit's financial procedures. The audit report must be filed with the Director. A synopsis of the report, together with all recommendations made, must be published in a local newspaper within thirty (30) days of the local unit's receipt of the audit report.

FINANCIAL STATEMENTS

The audited financial statements of the Board as of and for the year ended June 30, 2024 together with the notes to the financial statements have been provided by BKC, CPAs, PC, Flemington, New Jersey (the "Auditor") and are presented in APPENDIX B to this Official Statement (the "Financial Statements"). See "APPENDIX B – Financial Statements of The Board of Education of the Great Meadows Regional School District the County of Warren, New Jersey.

MUNICIPAL ADVISOR

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has served as Municipal Advisor to the Board with respect to the issuance of the Bonds (the "Municipal Advisor"). The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and the Appendices hereto. The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

LITIGATION

To the best of the knowledge, information and belief of the Board Attorney, The Busch Law Group, LLC, Metuchen, New Jersey (the "Board Attorney"), and without independent inquiry or investigation and based upon the representation of the Board's Business Administrator/Board Secretary, there is no litigation of any nature now pending or threatened against the Board, restraining or enjoining the issuance or the delivery of the Bonds, or in any manner questioning the authority or the proceedings for the issuance of the Bonds, or contesting the corporate existence or the boundaries of the Board or the School District or the title of any of the present officers. To the best of the knowledge, information and belief of the Board Attorney, and without independent inquiry or investigation and based upon the representation of the Board's Business Administrator/Board Secretary, no litigation is presently pending or threatened that, in the opinion of the Board Attorney, would have a materially adverse impact on the financial condition of the Board if adversely decided. A certificate to such effect will be executed by the Board Attorney and delivered to the Underwriter (as hereinafter defined) of the Bonds at the closing.

TAX EXEMPTION

Federal Income Tax Treatment

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met at the time of, and on a continuing basis subsequent to, the issuance of the Bonds in order for the interest thereon to be and remain excluded from gross income for Federal income tax purposes under Section 103 of the Code. Noncompliance with such requirements could cause such interest to be included in gross income for Federal income tax purposes retroactive to the date of issuance of the Bonds. The Board has covenanted to comply with the provisions of the Code applicable to the Bonds, and has covenanted not to take any action or fail to take any action that would cause interest on the Bonds to lose the exclusion from gross income under Section 103 of the Code.

In the opinion of Wilentz, Goldman & Spitzer, P.A., Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Board with the requirements of the Code described above, interest on the Bonds is not includable in gross income for Federal income tax purposes pursuant to Section 103 of the Code and is not treated as a preference item under Section 57 of the Code for purposes of computing the Federal alternative minimum tax.

Premium Bonds

[The Bonds [maturing on May 1 in the years 20__ through 20__, inclusive (collectively, the "Premium Bonds")], have been sold to the public at a premium. Section 171 of the Code provides rules under which a bond premium may be amortized and a deduction allowed for the amount of the amortizable bond premium for a taxable year. Under Section 171(a)(2) of the Code, however, no deduction is allowable for the amortizable bond premium in the case of bonds, like the [Premium] Bonds, the interest on which is excludable from gross income. Under Section 1016(a)(5) of the Code, the purchaser's basis in a [Premium] Bond will be reduced by the amount of the amortizable bond premium disallowable as a deduction under Section 171(2) of the Code. Proceeds received from the sale, exchange, redemption or payment of a [Premium] Bond in excess of the owner's adjusted basis (as reduced pursuant to Section 1016(a)(5) of the Code), will be treated as a gain from the sale or exchange of such [Premium] Bonds and not as interest.]

Discount Bonds

[Bond Counsel is also of the opinion that the difference between the stated principal amount of the Bonds maturing on May 1 in the years 20__ through 20__, inclusive (collectively, the "Discount Bonds") and their respective initial public offering prices to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which prices a substantial amount of the [Discount] Bonds of the same maturity and interest rate were sold, constitutes original issue discount which is excluded from gross income for Federal income tax purposes to the same extent as interest on the Bonds. In the case of any holder of the [Discount] Bonds, the amount of such original issue discount which is treated as having accrued with respect to the [Discount] Bonds is added to the cost basis of the holder in determining, for Federal income tax purposes, gain or loss upon disposition (including sale, redemption or payment at maturity). Holders of the [Discount] Bonds should consult their tax advisors for an explanation of the original issue discount rules.]

Additional Federal Income Tax Consequences Relating to Bonds

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Bonds, may have additional Federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty insurance companies, foreign corporations and certain S corporations. Prospective purchasers of the Bonds should also consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

State Taxation

Bond Counsel is also of the opinion that interest on the Bonds, and any gain on the sale of the Bonds, are not includable in gross income under the existing New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended. Except as provided above, no opinion is expressed with respect to other State and local tax consequences of owning the Bonds. See "APPENDIX C – Form of Approving Legal Opinion" for the complete text of the proposed form of Bond Counsel's approving legal opinion.

Prospective Tax Law Changes

Federal, state or local legislation, administrative pronouncements or court decisions may affect the Federal and State tax-exempt status of interest on the Bonds and the State tax-exempt status of interest on the Bonds, gain from the sale or other disposition of the Bonds, the market value of the Bonds or the marketability of the Bonds. The effect of any legislation, administrative pronouncements or court decisions cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding such matters.

Other Tax Consequences

Except as described above, Bond Counsel expresses no opinion with respect to any Federal, State, local or foreign tax consequences of ownership of the Bonds. Bond Counsel renders its opinion under existing statutes, regulations, rulings and court decisions as of the date of issuance of the Bonds and assumes no obligation to update its opinion after such date of issuance to reflect any future action, fact, circumstance, change in law or interpretation, or otherwise. Bond Counsel expresses no opinion as to the effect, if any, on the tax status of the interest on the Bonds paid or to be paid as a result of any action hereafter taken or not taken in reliance upon an opinion of other counsel.

See APPENDIX C for the complete text of the proposed form of Bond Counsel's legal opinion with respect to the Bonds.

PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO ALL TAX CONSEQUENCES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE) OF HOLDING THE BONDS.

BANK-QUALIFIED BONDS

The Bonds will be designated as "qualified tax-exempt obligations" under Section 265 of the Code by the Board for an exemption from the denial of deduction for interest paid by financial institutions to purchase or carry tax-exempt obligations. The Board will furnish to the Underwriter (as herein after defined) at the time of delivery of any payment for the Bonds, a certificate executed by the Business Administrator/Board Secretary of the Board designating the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B)(ii) of the Code, and in such certificate the Board will represent that it reasonably expects that, collectively, neither it nor its subordinate entities, if any, will issue more than \$10,000,000 of tax-exempt obligations in the current calendar year.

RISK TO HOLDERS OF BONDS

It is understood that the rights of the holders of the Bonds, and the enforceability thereof, may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Municipal Bankruptcy

THE BOARD HAS NOT AUTHORIZED THE FILING OF A BANKRUPTCY PETITION. THIS REFERENCE TO THE BANKRUPTCY CODE OR THE STATE STATUTE SHOULD NOT CREATE ANY IMPLICATION THAT THE BOARD EXPECTS TO UTILIZE THE BENEFITS OF ITS PROVISIONS, OR

THAT IF UTILIZED, SUCH ACTION WOULD BE APPROVED BY THE LOCAL FINANCE BOARD, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY FOR THE BONDS, OR THAT THE BANKRUPTCY CODE COULD NOT BE AMENDED AFTER THE DATE HEREOF.

The undertakings of the Board should be considered with reference to 11 U.S.C. §101 et seq., as amended and supplemented (the "Bankruptcy Code"), and other bankruptcy laws affecting creditors' rights and municipalities in general. The Bankruptcy Code permits the State or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to commence a voluntary bankruptcy case by filing a petition with a bankruptcy court for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to certain debts owed, and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount and more than one-half in number of the allowed claims of at least one (1) impaired class. The Bankruptcy Code specifically does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a political subdivision must follow in order to take advantage of the provisions of the Bankruptcy Code.

The Bankruptcy Code provides that special revenue acquired by the debtor after the commencement of the case shall remain subject to any lien resulting from any security agreement entered into by such debtor before the commencement of such bankruptcy case. However, special revenues acquired by the debtor after commencement of the case shall continue to be available to pay debt service secured by those revenues. Furthermore, the Bankruptcy Code provides that a transfer of property of a debtor to or for the benefit of any holder of a bond or note, on account of such bond or note, may be avoided pursuant to certain preferential transfer provisions set forth in such act.

Reference should also be made to N.J.S.A. 52:27-40 et seq. which provides that a political subdivision, including the Board, has the power to file a petition in bankruptcy with any United States Court or court in bankruptcy under the provisions of the Bankruptcy Code, for the purpose of effecting a plan of readjustment of its debts or for the composition of its debts; provided, however, the approval of the Local Finance Board, as successor to the Municipal Finance Commission, must be obtained.

Cyber Security

The School District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the School District may be the subject of cyber threats, including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the School District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. The School District has never had a material cyber breach or a cyber breach that resulted in a financial loss. No assurance can be given that the School District's current efforts to manage cyber threats and security will, in all cases, be successful. The School District cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances. To mitigate these risks to the greatest extent possible, the School District recently implemented multi-factor authentication for key stakeholders with access to sensitive information. Furthermore, the School District leverages network segmentation to harden security. All workstations and servers are outfitted with Endpoint Detection and Response (EDR) with 24/7 Managed Detection and Response (MDR). In addition to the various processes in place to safeguard against cyber security attacks, the School District also maintains a comprehensive insurance policy which includes privacy liability, cyber incident response, data breach, network security, internet media and network extortion coverages.

The School District relies on other entities and service providers in the course of operating the School District, including its accountants, attorneys, the trustee, and banks, as well as vendors with respect to outsourced critical digital network operations and functions. No assurance can be given that future cyber threats and attacks against other third party entities or service providers will not impact the School District

and the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The School District cannot predict the timing, extent, or severity of climate change and its impact on its operations and finances. The School District maintains a comprehensive insurance policy and maintains adequate reserves that could be used in the event of extreme weather.

RECENT HEALTHCARE DEVELOPMENTS

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

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

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

The Board has been awarded a total of \$297,736 in federal aid to address the effects of the COVID-19 pandemic.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, the issuance, the sale and the delivery of the Bonds are subject to the approval of Bond Counsel to the Board, whose approving legal opinion will be delivered with the Bonds substantially in the form set forth as APPENDIX C. Certain legal matters will be passed upon for the Board by its Board Attorney.

PREPARATION OF OFFICIAL STATEMENT

The Board hereby states that the descriptions and statements herein, including the Financial Statements, are true and correct in all material respects, and it will confirm same to the Underwriter by a certificate signed by the Board President and Business Administrator/Board Secretary. See "CERTIFICATE WITH RESPECT TO THE OFFICIAL STATEMENT" herein.

Bond Counsel has participated in the preparation and review of this Official Statement but has not participated in the collection of financial, statistical or demographic information contained in this Official Statement nor verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto.

The Municipal Advisor has participated in the review of this Official Statement and in the collection of financial, statistical and demographic information contained in APPENDIX A to this Official Statement but has not verified the accuracy, completeness or fairness thereof, and, accordingly, takes no responsibility and expresses no opinion with respect thereto.

The Auditor takes responsibility for the Financial Statements to the extent specified in the Independent Auditor's Report appearing in APPENDIX B hereto.

The Board Attorney has not participated in the preparation of the information contained in this Official Statement, nor has the Board Attorney verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but has reviewed the section under the caption entitled "LITIGATION" and expresses no opinion or assurance other than that which is specifically set forth therein with respect thereto.

All other information has been obtained from sources which the Board considers to be reliable, but it makes no warranty, guarantee or other representation with respect to the accuracy and completeness of such information.

RATING

S&P Global Ratings, acting through Standard & Poor's Financial Services, LLC (the "Rating Agency"), has assigned an underlying rating of "AA" to the Bonds based upon the creditworthiness of the School District. The Bonds are additionally secured by the New Jersey School Bond Reserve Act.

The rating reflects only the view of the Rating Agency and an explanation of the significance of such rating may only be obtained from the Rating Agency. The Board forwarded to the Rating Agency certain information and materials concerning the Bonds and the School District. There can be no assurance that the rating will be maintained for any given period of time or that the rating will not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in or withdrawal of such rating may have an adverse effect on the marketability or market price of the Bonds.

UNDERWRITING

The Bonds are being purchased from the Board by _____ (the "Underwriter"), at a price of \$_____. The Underwriter is obligated to purchase all of the Bonds if any Bonds are so purchased.

The Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at yields higher than the public offering yields set forth on the inside cover page, and such public offering yields may be changed, from time to time, by the Underwriter without prior notice.

SECONDARY MARKET DISCLOSURE

The Board has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Board by no later than each January 31 after the end of each fiscal year, commencing with the fiscal year ending June 30, 2025 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report will be filed by the Board with the Municipal Securities Rulemaking Board (the "MSRB") or any other entity designated by the MSRB. The notices of material events will be filed by the Board with the MSRB through its Electronic

Municipal Market Access (“EMMA”) system and with any other entity designated by the MSRB, as applicable. The nature of the information to be contained in the Annual Report or the notices of material events is set forth in “APPENDIX D – Form of Continuing Disclosure Certificate.” These covenants have been made in order to assist the underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “SEC Rule”).

In accordance with SEC Rule and prior secondary market disclosure undertakings, within the five (5) years immediately preceding the date of this Official Statement, the Board failed to timely file its audited financial statements for the year ended June 30, 2020. The Board appointed Phoenix Advisors, Hamilton, New Jersey to serve as continuing disclosure agent to assist in the filing of certain information on EMMA as required under its prior secondary market disclosure undertakings.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to the School Business Administrator/Board Secretary, Samantha Westberg, (908) 637-8672, or to Charles Anthony Solimine, Esq., Wilentz, Goldman & Spitzer, P.A., Bond Counsel to the Board, (732) 855-6430.

CERTIFICATE WITH RESPECT TO THE OFFICIAL STATEMENT

At the time of the original delivery of the Bonds, the Board will deliver a certificate of one or more of its authorized officials to the effect that he/she has examined this Official Statement (including the Appendices) and the financial and other data concerning the School District contained herein and that, to the best of his knowledge and belief, (i) this Official Statement, both as of its date and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading and (ii) between the date of this Official Statement and the date of delivery of the Bonds, there has been no material adverse change in the affairs (financial or otherwise), financial condition or results or operations of the Board except as set forth in or contemplated by this Official Statement.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement among the Board, the Underwriter and the holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs (financial or otherwise) of the Board since the date hereof.

The Board has authorized the preparation of this final Official Statement containing pertinent information relative to the Bonds, and this Official Statement is deemed to be the final Official Statement as required by Rule 15c2-12, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented. By awarding the Bonds to the Underwriter, the Board agrees that, within the earlier of seven (7) business days following the date of such award or to accompany the purchasers' confirmations requesting payment for the Bonds, it shall provide without cost to the Underwriter, for distribution purposes, copies of this final Official Statement. The underwriter agrees that (i) it shall accept such designation, and (ii) it shall assure the distribution of the final Official Statement.

**THE BOARD OF EDUCATION OF THE GREAT MEADOWS
REGIONAL SCHOOL DISTRICT IN THE COUNTY OF
WARREN, NEW JERSEY**

**SAMANTHA WESTBERG,
Business Administrator/Board Secretary**

DATED: _____, 2025

APPENDIX A

**Certain Economic and Demographic Information Relating to the
School District and the Constituent Municipalities**

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INFORMATION REGARDING THE SCHOOL DISTRICT¹

Type

The School District is a Type II school district that is coterminous with the borders of the Township of Independence and the Township of Liberty. The School District provides a full range of educational services appropriate to prekindergarten (PreK) through grade eight (8). Students in public school for grades nine (9) through twelve (12) attend Hackettstown High School in Hackettstown as part of a sending/receiving relationship with the Hackettstown School District.

On October 13, 1993, the voters from the Township of Independence and the Township of Liberty approved a referendum question which authorized the dissolution of the two existing local school districts, the Independence Township School District and the Liberty Township School District, and the formation of the Great Meadows Regional School District (the “School District”). Effective July 1, 1994, the operations of the Independence and Liberty School Districts merged into and became the School District.

The School District is governed by a nine-member Board of Education (the “Board”) with six of its members elected by the voters of Independence Township and three elected by the voters of Liberty Township. Each member is elected by the legally qualified voters in the School District to terms of three (3) years on a staggered basis. The President and Vice President are chosen for one (1) year terms from among the members of the Board.

The Board is the policy making body of the School District and has the general responsibility for providing an education program, the power to establish policies and supervise the public schools in the School District, the responsibility to develop the annual School District budget and present it to the legally registered voters in the School District. The Board's fiscal year ends each June 30.

The Board appoints a Superintendent and Board Secretary/Business Administrator who are responsible for budgeting, planning and the operational functions of the School District. The administrative structure of the Board gives final responsibility for both the educational process and the business operation to the Superintendent.

Description of Facilities

The Board presently operates the following school facilities:

<u>Facility</u>	<u>Construction Date</u>	<u>Grade Level</u>	<u>Student Enrollment (As of 6/30/24)</u>
Central Elementary School	1918	PreK-3	317
Great Meadows Middle School	1998	4-8	346

Source: Annual Comprehensive Financial Report of the School District

¹ Source: The Board, unless otherwise indicated.

Staff

The Superintendent is the chief executive officer of the Board and is in charge of carrying out Board policies. The Board Secretary/Business Administrator is the chief financial officer of the Board and must submit monthly financial reports to the Board and annual reports to the New Jersey Department of Education.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Teaching Professionals	79	79	78	82	86
Support Staff	<u>34</u>	<u>34</u>	<u>33</u>	<u>37</u>	<u>42</u>
Total Full & Part Time Employees	<u>113</u>	<u>113</u>	<u>110</u>	<u>119</u>	<u>128</u>

Source: Annual Comprehensive Financial Report of the School District

Pupil Enrollments

The following table presents the historical average daily pupil enrollments for the past five (5) school years.

Pupil Enrollments	
<u>School Year</u>	<u>Enrollment</u>
2024-2025	716
2023-2024	663
2022-2023	647
2021-2022	634
2020-2021	616

Source: School District and Annual Comprehensive Financial Report of the School District

Pensions

Those employees of the School District who are eligible for pension coverage are enrolled in one of the two State-administered multi-employer pension systems (the "Pension System"). The Pension System was established by an act of the State Legislature. The Board of Trustees for the Pension System is responsible for the organization and administration of the Pension System. The two State-administered pension funds are: (1) the Teacher's Pension and Annuity Fund ("TPAF") and (2) the Public Employee's Retirement System ("PERS"). The Division of Pensions and Benefits, within the State of New Jersey Department of the Treasury (the "Division"), charges the participating school districts annually for their respective contributions. The School District raises its contributions through taxation and the State contributes the employer's share of the annual Social Security and Pension contribution for employees enrolled in the TPAF. The Pension System is a cost sharing multiple employer contributory defined benefit plan. The Pension System's designated purpose is to provide retirement and medical benefits for qualified retirees and other benefits to its members. Membership in the Pension System is mandatory for substantially all full-time employees of the

State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State administered retirement system or other state or local jurisdiction.

Fiscal 2024-25 Budget

Prior to the passage of P.L. 2011, c. 202 the Board was required to submit its budget for voter approval on an annual basis. Under the Election Law (P.L. 2011, c. 202, effective January 17, 2012) if the school has opted to move its annual election to November, it is no longer required to submit the budget to voters for approval if the budget is at or below the two-percent (2%) property tax levy cap as provided for under New Cap Law (P.L. 2010, c. 44). If the Board proposes to spend above the two-percent (2%) property tax levy cap, it is then required to submit its budget to voters at the annual school election in November. The Board has chosen under the Election Law to move its annual school election to November.

The General Fund budget is the sum of all state aid (exclusive of pension aid and social security aid) and the local tax levy (exclusive of debt service). The Board’s General Fund Budget for the 2024-2025 fiscal year is \$19,926,202. The major sources of revenue are \$16,201,597 from the local tax levy and \$1,843,320 from state aid.

Source: Annual User-Friendly Budget of the School District

Budget History

As noted, prior to the Board’s budget for its 2012-2013 fiscal year, the Board was required to submit its budget for voter approval. The results of the last five budget elections of the Board are as follows:

<u>Budget Year</u>	<u>Amount Raised in Taxes</u>	<u>Budget Amount</u>
2024-2025	\$16,201,597	\$19,926,202
2023-2024	15,883,919	18,906,732
2022-2023	15,572,470	18,587,193
2021-2022	15,267,127	19,494,149
2020-2021	14,895,043	19,996,310

Source: Annual User-Friendly Budget of the School District

Financial Operations

The following table summarizes information on the changes in general fund revenues and expenditures for the school years ending June 30, 2020 through June 30, 2024 for the general fund. Beginning with the 1993-94 fiscal year, school districts in the State of New Jersey have begun to prepare their financial statements in accordance with Generally Accepted Accounting Principles in the United States.

GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEARS ENDED JUNE 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$15,883,919	\$15,572,470	\$15,267,127	\$14,895,043	\$14,472,254
Other Local Revenue	<u>288,702</u>	<u>256,785</u>	<u>126,844</u>	<u>139,181</u>	<u>260,135</u>
Total Revenues-Local Sources	16,172,621	15,829,255	15,393,971	15,034,224	14,732,389
State Sources	4,972,706	5,590,465	6,859,647	7,049,728	7,434,341
Federal Sources	<u>380</u>	<u>0</u>	<u>0</u>	<u>19,699</u>	<u>0</u>
Total Revenues	\$21,145,707	\$21,419,720	\$22,253,618	\$22,103,651	\$22,166,730
EXPENDITURES					
General Fund:					
Instruction	\$4,457,260	\$4,601,971	\$4,971,378	\$4,957,201	\$5,373,085
Undistributed Expenditures	15,709,373	15,104,558	15,483,280	15,053,743	15,467,633
Capital Outlay	<u>91,785</u>	<u>93,326</u>	<u>268,970</u>	<u>655,041</u>	<u>398,923</u>
Total Expenditures	\$20,258,418	\$19,799,855	\$20,723,628	\$20,665,985	\$21,239,641
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	887,289	1,619,865	1,529,990	1,437,666	927,089
Other Financing Sources (Uses):					
Proceeds of Capital Lease	0	0	0	0	0
Prior Year Accounts Receivable Canceled	0	0	0	0	0
Prior Year Grant Receivable Canceled	0	0	0	0	0
Transfers In	41,603	0	0	0	0
Transfers Out	<u>(185,081)</u>	<u>(1,384)</u>	<u>0</u>	<u>0</u>	<u>(13,452)</u>
Total Other Financing Sources (Uses)	(143,478)	(1,384)	0	0	(13,452)
Net Change in Fund Balance	743,811	1,618,481	1,529,990	1,437,666	913,637
Fund Balance, July 1	<u>6,930,472</u>	<u>5,311,991</u>	<u>3,782,001</u>	<u>2,344,335</u>	<u>1,430,698</u>
Fund Balance, June 30	<u>\$7,674,283</u>	<u>\$6,930,472</u>	<u>\$5,311,991</u>	<u>\$3,782,001</u>	<u>\$2,344,335</u>

Source: Annual Comprehensive Financial Report of the School District. Statement of Revenues, Expenditures Governmental Funds and Changes In Fund Balances on a GAAP basis

Leases

As of June 30, 2024, the Board has leases outstanding with payments due through the year ending June 30, 2031, totaling \$1,258,890.

Source: Annual Comprehensive Financial Report of the School District

Short-Term Debt

As of June 30, 2024, the Board has no short-term debt outstanding.

Source: Annual Comprehensive Financial Report of the School District

Long-Term Debt

The following table outlines the outstanding long-term debt of the Board as of June 30, 2024.

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	<u>\$525,000</u>	<u>\$21,000</u>	<u>\$546,000</u>
TOTALS	<u>\$525,000</u>	<u>\$21,000</u>	<u>\$546,000</u>

Source: Annual Comprehensive Financial Report of the School District

Debt Limit of the Board

The debt limitation of the Board is established by the statute (N.J.S.A. 18A:24-19). The Board is permitted to incur debt up to 3% of the average equalized valuation for the past three years. (See “SUMMARY OF CERTAIN PROVISIONS FOR THE PROTECTION OF SCHOOL DEBT- Exceptions to School Debt Limitations”). The following is a summation of the Board’s debt limitations as of June 30, 2024:

Average Equalized Real Property Valuation (2021, 2022, and 2023)	\$657,797,389
School District Debt Analysis	
Permitted Debt Limitation (3% of AEVP)	\$19,733,922
Less: Bonds and Notes Authorized and Outstanding	<u>525,000</u>
Remaining Limitation of Indebtedness	\$19,208,922
Percentage of Net School Debt to Average Equalized Valuation	0.08%

Source: Annual Comprehensive Financial Report of the School District

INFORMATION REGARDING THE TOWNSHIP¹

The following material presents certain economic and demographic information of the Township of Independence (the “Township”), in the County of Warren (the “County”), State of New Jersey (the “State”).

General Information

The Township was incorporated in 1782 and consists of 20.10 square miles in area. The northern two-thirds of Township is generally mountainous, while the lower one-third is more level, with U.S. Route 46 being the general dividing line. The Township is a semi-rural community situated along the central eastern border of the County, which is in the Northwestern part of the State. The Town of Hackettstown, the shopping area for residents of surrounding communities, forms the eastern border of the Township; Mansfield Township forms the southern border, Allamuchy Township forms the northern border and Liberty Township is on the Township’s western border. East to west, U.S. Route 46 passes through the southern part of the Township. Interstate 80 crosses the northern tip of the Township with interchanges at Hope Township to the northwest and the principal access egress ramps for residents in Allamuchy Township on County Route 517, a north to south route connecting with U.S. Route 46 and State Route 57.

Form of Government

The Township is governed under the Township form of government. The five-member Township Committee is elected directly by the voters at-large in partisan elections to serve three-year terms of office on a staggered basis, with either one or two seats coming up for election each year as part of the November general election in a three-year cycle. At an annual reorganization meeting, the Township Committee selects one of its members to serve as Mayor.

Pension and Retirement Systems

Substantially all eligible employees participate in the Public Employees’ Retirement System, the Police and Firemen’s Retirement System or the Defined Contribution Retirement Program, which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (the “Division”). Benefits, contributions, means of funding and the manner of administration are established pursuant to State statute. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial calculations and the employees contribute a portion of the cost. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements and required supplementary information. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or is available online at www.nj.gov/treasury/pensions/financial-reports.shtml.

The Public Employees’ Retirement System (“PERS”) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of

¹ Source: The Township, unless otherwise indicated.

N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time employees of the State or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other State pension fund or local jurisdiction's pension fund.

The Police and Firemen's Retirement System ("PFRS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time county and municipal police and firemen or officer employees with police powers appointed after June 30, 1944.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund which was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

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Employment and Unemployment Comparisons

For the following years, the New Jersey Department of Labor reported the following annual average employment information for the Township, the County, and the State:

	<u>Total Labor Force</u>	<u>Employed Labor Force</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
<u>Township</u>				
2023	3,274	3,139	135	4.1%
2022	3,209	3,102	107	3.3%
2021	3,171	2,984	187	5.9%
2020	3,114	2,881	233	7.5%
2019	3,164	3,075	89	2.8%
<u>County</u>				
2023	60,052	57,624	2,428	4.0%
2022	59,058	56,933	2,125	3.6%
2021	58,190	54,760	3,430	5.9%
2020	57,587	52,883	4,704	8.2%
2019	58,154	56,256	1,898	3.3%
<u>State</u>				
2023	4,829,671	4,615,722	213,949	4.4%
2022	4,736,213	4,552,563	183,650	3.9%
2021	4,648,814	4,337,793	311,021	6.7%
2020	4,638,386	4,200,980	437,406	9.4%
2019	4,687,390	4,525,044	162,346	3.5%

Source: New Jersey Department of Labor, Office of Research and Planning, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

Income (as of 2023)

	<u>Township</u>	<u>County</u>	<u>State</u>
Median Household Income	\$101,282	\$99,596	\$101,050
Median Family Income	109,954	118,994	123,892
Per Capita Income	57,117	48,232	53,118

Source: US Bureau of the Census, 2023 American Community Survey 5-Year Estimates

Population

The following tables summarize population increases and the decreases for the Township, the County, and the State.

<u>Year</u>	<u>Township</u>		<u>County</u>		<u>State</u>	
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>
2023 Estimate	5,519	0.91%	111,252	-3.15%	9,290,841	0.02%
2020	5,469	-3.41	109,632	0.86	9,288,994	5.65
2010	5,662	1.05	108,692	6.11	8,791,894	4.49
2000	5,603	42.21	102,437	11.82	8,414,350	8.85
1990	3,940	39.27	91,607	8.50	7,730,188	4.96

Source: United States Department of Commerce, Bureau of the Census

Largest Taxpayers

The ten largest taxpayers in the Township and their assessed valuations are listed below:

<u>Taxpayers</u>	<u>2024 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Towpath Associates LLC	\$12,542,900	2.48%
Extra Space Properties Eighty LLC	4,664,000	0.92%
Axar Properties LLC	3,854,800	0.76%
Kamping LLC	1,688,000	0.33%
NUJA Realty Corp	1,396,600	0.28%
Individual property owner #1	1,292,500	0.26%
Individual property owner #2	951,900	0.19%
SMM Independence LLC	937,500	0.19%
First Hope Bank	884,600	0.17%
Individual property owner #3	<u>799,400</u>	<u>0.16%</u>
Total	<u>\$29,012,200</u>	<u>5.73%</u>

Source: Annual Comprehensive Financial Report of the School District and Municipal Tax Assessor

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Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Current Year Collection</u>	<u>Current Year % of Collection</u>
2023	\$18,215,315	\$17,942,884	98.50%
2022	17,717,174	17,480,443	98.66%
2021	17,458,498	17,227,304	98.68%
2020	16,996,683	16,706,943	98.10%
2019	16,925,749	16,687,924	97.85%

Source: Annual Audit Reports of the Township

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Tax</u>	<u>Total Delinquent</u>	<u>% of Tax Levy</u>
2023	\$824,535	\$215,472	\$1,040,007	5.71%
2022	777,023	182,171	959,194	5.41%
2021	729,772	179,628	909,400	5.21%
2020	683,648	227,822	911,470	5.36%
2019	648,452	183,813	832,265	4.92%

Source: Annual Audit Reports of the Township

Property Acquired by Tax Lien Liquidation

<u>Year</u>	<u>Amount</u>
2023	\$253,040
2022	253,040
2021	253,040
2020	253,040
2019	253,040

Source: Annual Audit Reports of the Township

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Tax Rates per \$100 of Net Valuations Taxable and Allocations

The table below lists the tax rates for Township residents for the past five (5) years.

<u>Year</u>	<u>Regional</u>			<u>Total</u>
	<u>Municipal</u>	<u>School</u>	<u>County</u>	
2024	\$0.616	\$2.160	\$0.898	\$3.674
2023	0.605	2.117	0.871	3.593
2022	0.594	2.071	0.840	3.505
2021	0.584	2.061	0.821	3.466
2020	0.579	1.965	0.828	3.372

Source: Abstract of Ratables and State of New Jersey – Property Taxes

Valuation of Property

<u>Year</u>	<u>Aggregate Assessed Valuation of Real Property</u>	<u>Aggregate True Value of Real Property</u>	<u>Ratio of Assessed to True Value</u>	<u>Assessed Value of Personal Property</u>	<u>Equalized Valuation</u>
2024	\$506,407,700	\$787,447,831	64.31%	\$0	\$787,447,831
2023	505,386,300	743,652,590	67.96	0	743,652,590
2022	504,923,900	694,053,471	72.75	0	694,053,471
2021	503,370,300	619,456,436	81.26	0	570,932,550
2020	503,184,500	588,588,724	85.49	0	561,583,530

Source: Abstract of Ratables and State of New Jersey – Table of Equalized Valuations

Classification of Ratables

The table below lists the comparative assessed valuation for each classification of real property within the Township for the past five (5) years.

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Total</u>
2024	\$5,017,800	\$438,020,200	\$20,861,800	\$25,105,600	\$2,413,500	\$14,988,800	\$506,407,700
2023	5,067,000	437,408,300	20,579,900	24,756,000	2,413,500	15,161,600	505,386,300
2022	5,270,100	436,515,500	20,831,800	24,731,400	2,413,500	15,161,600	504,923,900
2021	5,270,100	435,053,700	20,845,400	24,626,000	2,413,500	15,161,600	503,370,300
2020	5,797,600	434,099,600	21,086,200	24,626,000	2,413,500	15,161,600	503,184,500

Source: Abstract of Ratables and State of New Jersey – Property Value Classification

Financial Operations

The following table summarizes the Township's Current Fund budget for the past five (5) fiscal years ending December 31. The following summary should be used in conjunction with the tables in the sourced documents from which it is derived.

Summary of Current Fund Budget

<u>Anticipated Revenues</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Fund Balance Utilized	\$1,462,133	\$918,200	\$927,157	\$961,608	\$1,075,049
Miscellaneous Revenues	859,688	717,540	983,470	1,039,953	765,141
Receipts from Delinquent Taxes	213,500	208,500	177,000	177,000	195,000
Amount to be Raised by Taxation	<u>2,913,891</u>	<u>2,943,163</u>	<u>3,002,160</u>	<u>3,060,147</u>	<u>3,121,328</u>
Total Revenue:	<u>\$5,449,212</u>	<u>\$4,787,403</u>	<u>\$5,089,787</u>	<u>\$5,238,708</u>	<u>\$5,156,518</u>
<u>Appropriations</u>					
General Appropriations	\$3,217,532	\$3,300,544	\$3,417,532	\$3,600,386	\$3,780,024
Operations (Excluded from CAPS)	42,380	29,157	303,154	353,505	80,709
Deferred Charges and Statutory Expenditures	90,000	0	0	0	0
Judgments	0	0	0	0	0
Capital Improvement Fund	635,000	432,000	317,200	228,500	455,780
Municipal Debt Service	624,300	185,700	211,900	216,315	0
Reserve for Uncollected Taxes	<u>840,000</u>	<u>840,002</u>	<u>840,001</u>	<u>840,002</u>	<u>840,005</u>
Total Appropriations:	<u>\$5,449,212</u>	<u>\$4,787,403</u>	<u>\$5,089,787</u>	<u>\$5,238,708</u>	<u>\$5,156,518</u>

Source: Annual Adopted Budgets of the Township

Fund Balance

Current Fund

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Current Fund for the past five (5) fiscal years ending December 31.

<u>Year</u>	<u>Fund Balance - Current Fund</u>	
	<u>Balance</u>	<u>Utilized in Budget</u>
	<u>12/31</u>	<u>of Succeeding Year</u>
2023	\$1,823,761	\$1,075,049
2022	1,690,366	961,608
2021	1,538,270	927,157
2020	1,416,809	918,200
2019	2,023,305	1,462,133

Source: Annual Audit Reports of the Township

Township Indebtedness as of December 31, 2023

General Purpose Debt

Serial Bonds	\$0
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	0
Other Bonds, Notes and Loans	0
Total:	<u>\$0</u>

Regional School District Debt

Serial Bonds	\$692,357
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	0
Total:	<u>\$692,357</u>

Self-Liquidating Debt

Serial Bonds	\$0
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	0
Other Bonds, Notes and Loans	0
Total:	<u>\$0</u>

TOTAL GROSS DEBT

\$692,357

Less: Statutory Deductions

General Purpose Debt	\$0
Regional School District Debt	692,357
Self-Liquidating Debt	0
Total:	<u>\$692,357</u>

TOTAL NET DEBT

\$0

Source: Annual Debt Statement of the Township

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Overlapping Debt (as of December 31, 2023)²

<u>Name of Related Entity</u>	<u>Related Entity Debt Outstanding</u>	<u>Township Percentage</u>	<u>Township Share</u>
Regional School District	\$1,045,000	66.25%	\$692,357
County	11,140,000	5.13%	<u>571,125</u>
Net Indirect Debt			\$1,263,481
Net Direct Debt			<u>0</u>
Total Net Direct and Indirect Debt			<u>\$1,263,481</u>

Debt Limit

Average Equalized Valuation Basis (2021, 2022, 2023)	\$685,720,832
Permitted Debt Limitation (3 1/2%)	24,000,229
Less: Net Debt	<u>0</u>
Remaining Borrowing Power	<u>\$24,000,229</u>
Percentage of Net Debt to Average Equalized Valuation	0.000%
Gross Debt Per Capita based on 2020 population of 5,469	\$127
Net Debt Per Capita based on 2020 population of 5,469	\$0

Source: Annual Debt Statement of the Township

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² Township percentage of County debt is based on the Township's share of total equalized valuation in the County.

INFORMATION REGARDING THE TOWNSHIP¹

The following material presents certain economic and demographic information of the Township of Liberty (the “Township”), in the County of Warren (the “County”), State of New Jersey (the “State”).

General Information

The Township was formed in 1926 from the southern portion of the Township of Hope. The Township, 12.25 square miles in area, is primarily a single-family residential community, of which approximately 5% are farms for the growing of sod, the major business in the Township. The land topography is mountainous except for a single are in Great Meadows through which the Pequest River flows. The Township is situated geographically almost in the center of the County with Independence Township forming its southeastern border and Hope Township and Allamuchy Township forming its borders on the northwest and northeast respectively. The Town of Belvidere, the County Seat is situated along the Delaware River, is approximately ten miles west of the Township. The Town of Hackettstown, the principal shopping area for residents, is about six miles to the east. East to west, U.S. Route 46 passes through the southern portions of the Township and Interstate 80 has access and egress ramps approximately five miles to the northwest of Hope Township. Within the Township’s borders are three unincorporated areas known as Great Meadows, Townsbury and Mountain Lakes.

Form of Government

The Township is governed under the Township form of government. The five-member Township Committee is elected directly by the voters at-large in partisan elections to serve three-year terms of office on a staggered basis, with either one or two seats coming up for election each year as part of the November general election in a three-year cycle. At an annual reorganization meeting, the Township Committee selects one of its members to serve as Mayor.

Pension and Retirement Systems

Substantially all eligible employees participate in the Public Employees’ Retirement System, the Police and Firemen’s Retirement System or the Defined Contribution Retirement Program, which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (the “Division”). Benefits, contributions, means of funding and the manner of administration are established pursuant to State statute. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial calculations and the employees contribute a portion of the cost. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements and required supplementary information. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or is available online at www.nj.gov/treasury/pensions/financial-reports.shtml.

¹ Source: The Township, unless otherwise indicated.

The Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time employees of the State or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other State pension fund or local jurisdiction's pension fund.

The Police and Firemen's Retirement System ("PFRS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time county and municipal police and firemen or officer employees with police powers appointed after June 30, 1944.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund which was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

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Employment and Unemployment Comparisons

For the following years, the New Jersey Department of Labor reported the following annual average employment information for the Township, the County, and the State:

	<u>Total Labor Force</u>	<u>Employed Labor Force</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
<u>Township</u>				
2023	1,784	1,715	69	3.9%
2022	1,760	1,695	65	3.7%
2021	1,715	1,630	85	5.0%
2020	1,707	1,574	133	7.8%
2019	1,727	1,674	53	3.1%
<u>County</u>				
2023	60,052	57,624	2,428	4.0%
2022	59,058	56,933	2,125	3.6%
2021	58,190	54,760	3,430	5.9%
2020	57,587	52,883	4,704	8.2%
2019	58,154	56,256	1,898	3.3%
<u>State</u>				
2023	4,829,671	4,615,722	213,949	4.4%
2022	4,736,213	4,552,563	183,650	3.9%
2021	4,648,814	4,337,793	311,021	6.7%
2020	4,638,386	4,200,980	437,406	9.4%
2019	4,687,390	4,525,044	162,346	3.5%

Source: New Jersey Department of Labor, Office of Research and Planning, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

Income (as of 2023)

	<u>Township</u>	<u>County</u>	<u>State</u>
Median Household Income	\$119,167	\$99,596	\$101,050
Median Family Income	141,607	118,994	123,892
Per Capita Income	56,515	48,232	53,118

Source: US Bureau of the Census, 2023 American Community Survey 5-Year Estimates

Population

The following tables summarize population increases and the decreases for the Township, the County, and the State.

<u>Year</u>	<u>Township</u>		<u>County</u>		<u>State</u>	
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>
2023 Estimate	2,688	0.67%	111,252	-3.15%	9,290,841	0.02%
2020	2,670	-9.25	109,632	0.86	9,288,994	5.65
2010	2,942	6.40	108,692	6.11	8,791,894	4.49
2000	2,765	10.91	102,437	11.82	8,414,350	8.85
1990	2,493	44.10	91,607	8.50	7,730,188	4.96

Source: United States Department of Commerce, Bureau of the Census

Largest Taxpayers

The ten largest taxpayers in the Township and their assessed valuations are listed below:

<u>Taxpayers</u>	<u>2024 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
BJBB Realty LLC	\$1,349,100	0.50%
Topp Orange LLC	1,031,100	0.39%
John E. Rogers Inc.	801,600	0.30%
Individual property owner	650,800	0.24%
Individual property owner	553,600	0.21%
Individual property owner	550,800	0.21%
Individual property owner	540,000	0.20%
Individual property owner	537,800	0.20%
Individual property owner	525,300	0.20%
Individual property owner	<u>499,300</u>	<u>0.19%</u>
Total	<u>\$7,039,400</u>	<u>2.63%</u>

Source: Annual Comprehensive Financial Report of the School District and Municipal Tax Assessor

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Current Year Collection</u>	<u>Current Year % of Collection</u>
2023	\$8,813,884	\$8,669,924	98.37%
2022	8,680,185	8,449,502	97.34%
2021	8,374,139	8,229,002	98.27%
2020	8,483,784	8,260,709	97.37%
2019	8,175,021	7,936,928	97.09%

Source: Annual Audit Reports

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Tax</u>	<u>Total Delinquent</u>	<u>% of Tax Levy</u>
2023	\$296,608	\$108,433	\$405,041	4.60%
2022	452,159	176,273	628,432	7.24%
2021	426,252	100,148	526,400	6.29%
2020	389,550	174,627	564,177	6.65%
2019	346,794	183,834	530,628	6.49%

Source: Annual Audit Reports

Property Acquired by Tax Lien Liquidation

<u>Year</u>	<u>Amount</u>
2023	\$108,200
2022	108,200
2021	108,200
2020	108,200
2019	108,200

Source: Annual Audit Reports

Tax Rates per \$100 of Net Valuations Taxable and Allocations

The table below lists the tax rates for Township residents for the past five (5) years.

<u>Year</u>	Regional			<u>Total</u>
	<u>Municipal</u>	<u>School</u>	<u>County</u>	
2024	\$0.397	\$2.118	\$0.886	\$3.401
2023	0.385	2.095	0.812	3.292
2022	0.366	2.064	0.808	3.238
2021	0.356	1.991	0.777	3.124
2020	0.350	2.038	0.780	3.168

Source: Abstract of Ratables and State of New Jersey – Property Taxes

Valuation of Property

<u>Year</u>	Aggregate Assessed Valuation of <u>Real Property</u>	Aggregate True Value of <u>Real Property</u>	Ratio of Assessed to <u>True Value</u>	Assessed Value of <u>Personal Property</u>	Equalized <u>Valuation</u>
2024	\$267,697,336	\$432,467,425	61.90%	\$0	\$432,467,425
2023	267,424,136	387,908,523	69.94	0	387,908,523
2022	267,716,300	342,962,209	78.06	0	342,962,209
2021	267,575,600	316,920,052	84.43	0	316,920,052
2020	267,796,200	297,023,292	90.16	0	297,023,292

Source: Abstract of Ratables and State of New Jersey – Table of Equalized Valuations

Classification of Ratables

The table below lists the comparative assessed valuation for each classification of real property within the Township for the past five (5) years.

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Total</u>
2024	\$3,771,900	\$234,178,536	\$23,090,300	\$6,347,800	\$0	\$308,800	\$267,697,336
2023	3,677,400	234,004,236	23,085,900	6,347,800	0	308,800	267,424,136
2022	3,749,100	233,900,300	23,410,300	6,347,800	0	308,800	267,716,300
2021	4,025,600	233,993,300	22,900,100	6,347,800	0	308,800	267,575,600
2020	4,066,300	234,019,100	23,054,200	6,347,800	0	308,800	267,796,200

Source: Abstract of Ratables and State of New Jersey – Property Value Classification

Financial Operations

The following table summarizes the Township's Current Fund budget for the past five (5) fiscal years ending December 31. The following summary should be used in conjunction with the tables in the sourced documents from which it is derived.

Summary of Current Fund Budget

<u>Anticipated Revenues</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Fund Balance Utilized	\$581,356	\$918,200	\$927,157	\$605,000	\$623,728
Miscellaneous Revenues	426,586	717,540	983,470	405,221	446,353
Receipts from Delinquent Taxes	150,000	208,500	177,000	122,000	105,000
Amount to be Raised by Taxation	<u>887,429</u>	<u>2,943,163</u>	<u>3,002,160</u>	<u>978,124</u>	<u>1,014,389</u>
Total Revenue:	<u>\$2,045,371</u>	<u>\$4,787,403</u>	<u>\$5,089,787</u>	<u>\$2,110,345</u>	<u>\$2,189,469</u>
<u>Appropriations</u>					
General Appropriations	\$1,213,894	\$3,300,544	\$3,417,532	\$1,282,675	\$1,300,113
Operations (Excluded from CAPS)	126,477	29,157	303,154	137,670	119,356
Deferred Charges and Statutory Expenditures	0	0	0	0	0
Judgments	0	0	0	0	0
Capital Improvement Fund	95,000	432,000	317,200	70,000	150,000
Municipal Debt Service	0	185,700	211,900	0	0
Reserve for Uncollected Taxes	<u>610,000</u>	<u>840,002</u>	<u>840,001</u>	<u>620,000</u>	<u>620,000</u>
Total Appropriations:	<u>\$2,045,371</u>	<u>\$4,787,403</u>	<u>\$5,089,787</u>	<u>\$2,110,345</u>	<u>\$2,189,469</u>

Source: Annual Adopted Budgets of the Township

Fund Balance

Current Fund

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Current Fund for the past five (5) fiscal years ending December 31.

<u>Year</u>	<u>Fund Balance - Current Fund</u>	
	<u>Balance</u> <u>12/31</u>	<u>Utilized in Budget</u> <u>of Succeeding Year</u>
2023	\$1,330,225	\$623,728
2022	1,061,418	605,000
2021	1,153,215	927,157
2020	841,074	918,200
2019	1,035,822	581,356

Source: Annual Audit Reports

Township Indebtedness as of December 31, 2023

General Purpose Debt

Serial Bonds	\$0
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	0
Other Bonds, Notes and Loans	<u>0</u>
Total:	\$0

Regional School District Debt

Serial Bonds	\$352,643
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	<u>0</u>
Total:	\$352,643

Self-Liquidating Debt

Serial Bonds	\$0
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	0
Other Bonds, Notes and Loans	<u>0</u>
Total:	\$0

TOTAL GROSS DEBT

\$352,643

Less: Statutory Deductions

General Purpose Debt	\$0
Regional School District Debt	352,643
Self-Liquidating Debt	<u>0</u>
Total:	\$352,643

TOTAL NET DEBT

\$0

Source: Annual Debt Statement of the Township

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Overlapping Debt (as of December 31, 2023)²

<u>Name of Related Entity</u>	<u>Related Entity Debt Outstanding</u>	<u>Township Percentage</u>	<u>Township Share</u>
Regional School District	\$1,045,000	33.75%	\$352,643
County	11,140,000	2.67%	<u>297,914</u>
Net Indirect Debt			\$650,557
Net Direct Debt			<u>0</u>
Total Net Direct and Indirect Debt			<u>\$650,557</u>

Debt Limit

Average Equalized Valuation Basis (2021, 2022, 2023)	\$349,263,595
Permitted Debt Limitation (3 1/2%)	12,224,226
Less: Net Debt	<u>0</u>
Remaining Borrowing Power	<u>\$12,224,226</u>
Percentage of Net Debt to Average Equalized Valuation	0.000%
Gross Debt Per Capita based on 2020 population of 2,670	\$132
Net Debt Per Capita based on 2020 population of 2,670	\$0

Source: Annual Debt Statement of the Township

² Township percentage of County debt is based on the Township's share of total equalized valuation in the County.

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APPENDIX B

**Financial Statements of The Board of Education of the
Great Meadows Regional School District
in the County of Warren, New Jersey**

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**GREAT MEADOWS REGIONAL
SCHOOL DISTRICT**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2024

**Responsibility of the Management of
Great Meadows Regional School District
Warren County, New Jersey**



Certified Public Accountants, PC

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**GREAT MEADOWS REGIONAL
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

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**GREAT MEADOWS REGIONAL
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

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**GREAT MEADOWS REGIONAL
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

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**GREAT MEADOWS REGIONAL
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

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GREAT MEADOWS REGIONAL SCHOOL DISTRICT

MICHAEL MAI

Superintendent of Schools/Director of Special Services

Kathy Ascolese
*Confidential Secretary
Superintendent/ Special Services*

Samantha Westberg
*Business Administrator/
Board Secretary*

December 20, 2024

Honorable President and
Members of the Board of Education
Great Meadows Regional School District
County of Warren, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the Great Meadows Regional School District for the fiscal year ended June 30, 2024, is hereby submitted. Great Meadows Regional School District is a K-8 regional district. The constituent districts are Independence Township and Liberty Township. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the Management of the Great Meadows Regional Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter, the District's Organizational Chart and a list of principal officials. The Financial Section includes the general-purpose financial statements and schedules, as well as the auditors' report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditors' 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.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT

Superintendent's Office: Phone - 908.637.6576 ~ Fax: 908.637.4578

Business Office: Phone - 908.637.8672 ~ Fax: 908.637.4578

PO Box 74 Great Meadows, New Jersey 07838-0074



GREAT MEADOWS REGIONAL SCHOOL DISTRICT

MICHAEL MAI

Superintendent of Schools/Director of Special Services

Kathy Ascolese
Confidential Secretary
Superintendent/Special Services

Samantha Westberg
Business Administrator/
Board Secretary

1) REPORTING ENTITY AND ITS SERVICES

Great Meadows Regional School District is an independent reporting entity within the criteria adopted by the GASB, Statement No. 3. All funds of the District are included in this report. Great Meadows Regional Board of Education and its three school buildings, Central School and Great Meadows Middle School located in Independence Township and Liberty School located in Liberty Township, constitute the District's reporting entity.

The District provided a full range of educational services appropriate to grade levels kindergarten through 12. The District programs were condensed to two facilities for the PreK through 8 grade programs. Central School housed PreK through 3 grades as well as LLD and BD programs. Middle School housed grades 4-8 as well as LLD, BD programs. All high school students from the District, grades 9-12, attended Hackettstown High School on a tuition basis.

The following details the changes in the total student enrollment of the District as well as that of each building over the last ten years:

Average Daily Enrollment

Fiscal Year	Student Enrollment				Percent Change
	Central	Liberty	Middle	Total District	
2023-24	303.7	-	344.4	648.1	0.98
2022-23	296.5	-	345.3	641.8	-2.09
2021-22	320.2	-	335.3	655.5	3.12
2020-21	283.0	-	329.8	612.8	-3.02
2019-20	286.6	-	345.2	631.8	-3.02
2018-19	210.0	199.7	241.8	651.5	-5.89
2017-18	220.3	207.2	264.9	692.3	-3.01
2016-17	219.6	219.2	275.1	713.8	0.04

GREAT MEADOWS REGIONAL SCHOOL DISTRICT

Superintendent's Office: Phone - 908.637.6576 ~ Fax: 908.637.4578

Business Office: Phone - 908.637.8672 ~ Fax: 908.637.4578

PO Box 74 Great Meadows, New Jersey 07838-0074



GREAT MEADOWS REGIONAL SCHOOL DISTRICT

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Superintendent of Schools/ Director of Special Services

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*Confidential Secretary
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Samantha Westberg
*Business Administrator/
 Board Secretary*

2015-16	198.0	233.2	279.5	710.7	-7.00
2014-15	203.0	259.0	298.3	760.3	-6.00

2) ECONOMIC CONDITION AND OUTLOOK

The Townships of Independence and Liberty are contiguous and are located in the central portion of Warren County. Independence Township was incorporated in 1782 and consists of 20.1 square miles in area while Liberty Township was formed in 1926 and consists of 12.25 square miles in area.

The Townships, although primarily rural, have experienced moderate population growth, although not equal in student growth, over the past decade. The Townships continue to be bedroom communities with very few commercial and industrial ratables. The availability of land, a prime location, an appealing environment and an excellent school system all point to a continuing pattern of growth in the foreseeable future. The Highlands Legislation may affect building in the area.

3) MAJOR INITIATIVES

The School District is proud of its accomplishments they have and continue to achieve over the years of operation for the benefit of their students.

Goals for the future include:

- Commitment to environmental issues with creation of district green teams and infusion of climate awareness in curricular activities and creation of outdoor learning spaces.
- Continuing to address long range facility problems due to aging building; specifically, the next focus is the sewage treatment resolution at the Liberty School site.
- Continuing efforts to provide revenue streams into the District to offset reliance on the tax levy, most specifically, focus on the Liberty site in an effort to bring tuition students into the District, resulting reducing reliance on local tax basis.
- Focus on student social/emotional wellness by expansion of programs for students and parents.
- Maintenance of quality cost effective educational programs in light of inevitable reductions in state aid.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT

Superintendent's Office: Phone - 908.637.6576 ~ Fax: 908.637.4578

Business Office: Phone - 908.637.8672 ~ Fax: 908.637.4578

PO Box 74 Great Meadows, New Jersey 07838-0074



GREAT MEADOWS REGIONAL SCHOOL DISTRICT

MICHAEL MAI

Superintendent of Schools/Director of Special Services

Kathy Ascolese
*Confidential Secretary
Superintendent/Special Services*

Samantha Westberg
*Business Administrator/
Board Secretary*

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 require estimates and judgments by Management.

As a recipient of federal and state financial assistance, the District is also 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 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 accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the Financial Section.

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

6) ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting

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Board Secretary

system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in the Notes to the Financial Statements, Note 1.

7) DEBT ADMINISTRATION

At June 30, 2024, the District's outstanding debt issue is \$525,000.

8) CASH MANAGEMENT

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

9) RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds.

10) OTHER INFORMATION

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of BKC, CPAs, PC, 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 the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and state Treasury Circular Letter 15-08 OMB. The auditors' report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the Financial Section of this report. The auditors' reports related specifically to the single audit are included in the Single Audit Section of this report.

11) ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Great Meadows Regional Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development

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Confidential Secretary

Superintendent/Special Services

Samantha Westberg

Business Administrator/

Board Secretary

and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Michael Mai

Superintendent

Stamatia Westberg

Business Administrator/Board Secretary

GREAT MEADOWS REGIONAL SCHOOL DISTRICT

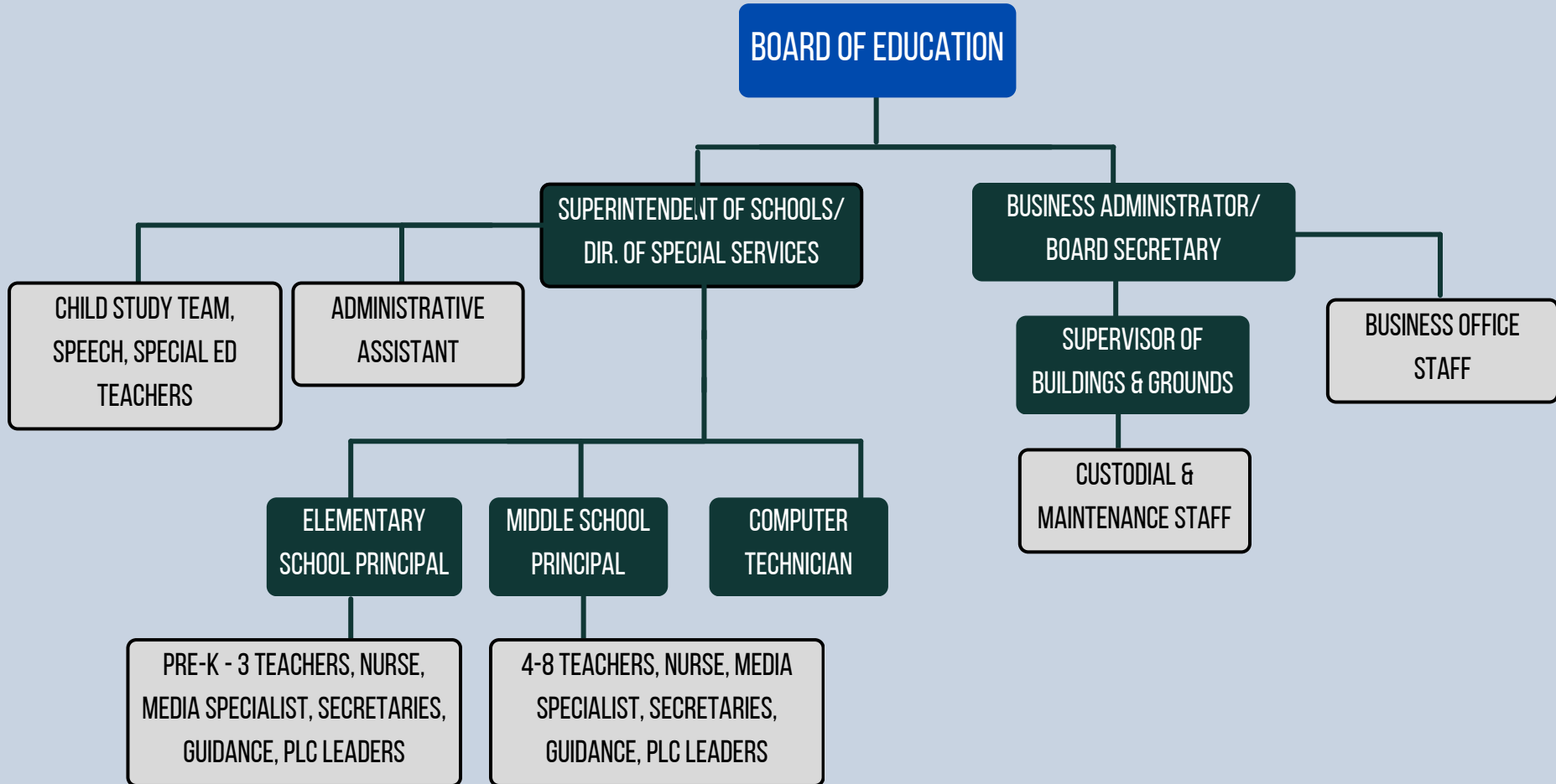
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ORGANIZATIONAL CHART



GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Roster of Officials
June 30, 2024

Members of the Board of Education	Title	Term Expires
Courtney Wenthien	President	2024
Shannon Schaaf	Vice President	2024
Meredith-Lyn Avey		2024
Daria Bracuti		2024
Jennifer White		2024
Matthew Wolfe		2024
William Zaccheo		2024
Heather Wulf		2026
Vacant		

Other Officials	Title
Michael Mai	Superintendent
Amanda Kinney	Board Secretary/Acting School Business Administrator
Paula Hatch	Treasurer
Ari Schneider, Esq	Attorney

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Consultants and Advisors
June 30, 2024

ATTORNEY

Busch Law Group LLC
450 Main Street
Metuchen, NJ 08840

ARCHITECT

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

AUDIT FIRM

BKC, CPAs, PC
39 State Route 12, Ste 2
Flemington, NJ 08822

FISCAL AGENT

Depository Trust
55 Water Street, 50th Floor
New York, NY 10041

First Hope Bank
Route 519
Hope, New Jersey 07844

OFFICIAL DEPOSITORIES

First Hope Bank
Route 519
Hope, New Jersey 07844



Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report

Honorable President and
Members of the Board of Education
Great Meadows Regional School District
Great Meadows, New Jersey

Report on the Financial Statements

Opinion

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 Great Meadows Regional School District (the District) in the County of Warren, as of and for the year ended June 30, 2024, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements as listed in the Table of Contents.

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

Basis for Opinion

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 audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedules Related to Accounting and Reporting for Pensions, and Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits listed in the Table of Contents be presented to supplement the Basic Financial Statements. Such information is the responsibility of Management and, although not a part of the Basic Financial Statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the Basic Financial Statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of Management about the methods of preparing the information and comparing the information for consistency with Management's responses to our inquiries, the Basic Financial Statements, and other knowledge we obtained during our audit of the Basic Financial Statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's Basic Financial Statements. The Schedule of Expenditures of Federal Awards, 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 Schedule of Expenditures of State Financial Assistance required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis not a required part of the Basic Financial Statements.

Such information is the responsibility of Management and were 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 Schedule of Expenditures of Federal Awards, and Schedule of Expenditures of State Financial Assistance are fairly stated, in all material respects, in relation to the Basic Financial Statements as a whole.

Other Information

Management is responsible for the Other Information included in the annual report. The Other Information comprises the Introductory, Combining and Individual Non-Major Fund Financial Schedules and Statistical Sections but does not include the Basic Financial Statements and our auditors' report thereon. Our opinion 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 20, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 District's internal control over financial reporting and compliance.



BKC, CPAs, PC



Michael Holk, CPA, PSA
NO. 20CS00265600

December 20, 2024
Flemington, New Jersey

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

This section of the Great Meadows Regional School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the Basic Financial Statements and Notes to the Financial Statements to enhance their understanding of the School District's financial performance.

Our discussion and analysis of the Great Meadows Regional School District financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the transmittal letter and the District's financial statements.

Financial Highlights

- In total, net position increased \$1,116,720, which represents a 9.28% increase from 2023.
- General revenues accounted for \$22,646,134 in revenue, or 95.50% of all revenues. Program specific revenues in the form of charges for services and operating grants were \$1,067,027 or 4.50% to total revenues of \$23,713,161.
- Total assets of governmental activities increased by \$785,132 as cash and cash equivalents increased by \$2,564,859, receivables decreased by \$1,606,851, and capital assets decreased by \$172,876.
- The School District had \$22,596,441 in expenses; only \$1,067,027 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$22,646,134 were adequate to provide for these programs.
- Among major funds, the general fund had \$21,145,707 in revenues, \$20,258,418 in expenditures and \$143,478 in other financing uses. The general fund balance increased by \$743,811 from fiscal year 2023.

This annual report consists of three parts: Management's Discussion and Analysis (this section), the Basic Financial Statements, and Required Supplementary Information. The Basic Financial Statements include two kinds of statements that present different views of the District.

Using This Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District, as a whole and present a long-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the District's operation in more detail than the government-wide statements by providing information about the District's most financially significant funds.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

Our analysis of the District, as a whole, begins with the Statement of Net Position and Statement of Activities. One of the most important questions asked about the District’s finances, “How did we do financially during fiscal year 2024?” The Statement of Net Position and the Statement of Activities report information about the District as a whole and about the activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District’s net position and changes in it. You can think of the District’s net position, the difference between assets and liabilities, as one way to measure the District’s financial health, or financial position. Over time, increases or decreases in the District’s net position are one indicator whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District’s property tax base and the condition of the District’s capital assets to assess the overall health of the District.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- **Governmental Activities:** Most of the School District’s basic services are reported here, including general administration. Local taxes, tuition, and state and federal aid finance most of these activities.
- **Business-type Activity:** The District has one proprietary fund, which is the food service fund. The food service fund provides low cost, well balanced meals to the students and staff in the District.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these Fund Financial Statements focus on the School District’s most significant funds. The School District’s major governmental funds are the general fund, special revenue fund, capital projects fund and debt service fund.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Governmental Funds

Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending. These funds measure and report the operating results by measuring cash on hand and other assets that can be easily converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic service it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

When the District charges customers for the full cost of the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for the student activity and payroll and agency funds. All of the District's fiduciary activities are reported in the separate Statement of Fiduciary Net Position. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The School District as a Whole

The Statement of Net Position provides the perspectives of the District as a whole, showing assets, liabilities, and the difference between them (net position). Net position may serve over time as a useful indicator of a district's financial position.

The District's financial position is the product of several 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.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Table 1 provides a summary of the District's net position at June 30, 2024 with comparisons to June 30, 2023.

Table 1
Net Position

	06/30/24	06/30/23	Variance	
			Dollars	%
Assets				
Current & other assets	\$ 8,438,366	\$ 7,541,570	\$ 896,796	11.89%
Capital assets	9,701,253	9,852,405	(151,152)	-1.53%
Total assets	<u>18,139,619</u>	<u>17,393,975</u>	<u>745,644</u>	<u>4.29%</u>
Deferred outflows of resources				
Deferred amount on pension activity	259,368	422,067	(162,699)	-38.55%
Liabilities				
Long-term liabilities	3,713,048	4,765,764	(1,052,716)	-22.09%
Other liabilities	1,016,794	460,447	556,347	120.83%
Total liabilities	<u>4,729,842</u>	<u>5,226,211</u>	<u>(496,369)</u>	<u>-9.50%</u>
Deferred inflows of resources				
Deferred amount on pension activity	524,473	561,879	(37,406)	-6.66%
Net position				
Net investment in capital assets	7,917,363	7,426,499	490,864	6.61%
Restricted	5,788,331	5,306,043	482,288	9.09%
Unrestricted	(561,022)	(704,590)	143,568	20.38%
Total net position	<u>\$ 13,144,672</u>	<u>\$ 12,027,952</u>	<u>\$ 1,116,720</u>	<u>9.28%</u>

The net position of the District's activities increased by 9.28%. Unrestricted net position, the part of net position that can be used to finance day to day operations without constraints established by debt covenants, enabling legislation or other legal requirements, increased by \$143,568 or 20.38%. Restricted net position, those restricted mainly for capital projects increased by \$482,288 or 9.09%. The net investment in capital assets increased by \$490,864 or 6.61%.

The negative balance in unrestricted net position is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Table 2 provides a summary of the District's changes in net position in fiscal year ending June 30, 2024 with comparisons to fiscal year June 30, 2023.

Table 2
Changes in Net Position

	06/30/24	06/30/23	Variance	
			Dollars	%
Revenues				
Program revenues				
Charges for services	\$ 219,268	\$ 270,161	\$ (50,893)	-18.84%
Operating grants	847,759	1,529,890	(682,131)	-44.59%
General revenues				
Property taxes	16,302,188	15,986,868	315,320	1.97%
Unrestricted grants	6,089,127	7,049,037	(959,910)	-13.62%
Other	254,819	176,412	78,407	44.45%
Total revenues	<u>23,713,161</u>	<u>25,012,368</u>	<u>(1,299,207)</u>	-5.19%
Program expenses				
Instruction				
Regular	6,544,263	6,941,807	(397,544)	-5.73%
Special	2,497,495	2,144,205	353,290	16.48%
Other	521,960	633,473	(111,513)	-17.60%
Support services				
Tuition	5,704,394	5,436,780	267,614	4.92%
Student & instructional staff	2,456,481	2,729,190	(272,709)	-9.99%
General & business administration	866,212	665,249	200,963	30.21%
School administration	473,184	543,288	(70,104)	-12.90%
Maintenance	1,375,451	1,334,406	41,045	3.08%
Transportation	1,702,216	1,690,436	11,780	0.70%
Charter schools	132,346	135,699	(3,353)	-2.47%
Food service	296,475	205,183	91,292	44.49%
Interest on long-term debt	25,964	49,814	(23,850)	-47.88%
Total expenses	<u>22,596,441</u>	<u>22,509,530</u>	<u>86,911</u>	0.39%
Change in net position	<u>\$ 1,116,720</u>	<u>\$ 2,502,838</u>	<u>\$ (1,386,118)</u>	-55.38%

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 69.39% of revenues for governmental activities for the Great Meadows Regional School District for the fiscal year 2024. The District's total governmental revenues were \$23,494,622 for the fiscal year ended June 30, 2024.

The total cost of all program expenses and services for governmental activities was \$22,299,966.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services in fiscal year ending June 30, 2024 and fiscal year ending June 30, 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	06/30/24	06/30/23	06/30/24	06/30/23
Instruction	\$ 9,563,718	\$ 9,719,485	\$ 9,065,906	\$ 8,970,753
Support services				
Tuition	5,704,394	5,436,780	5,492,255	4,928,126
Student & instructional staff	2,456,481	2,729,190	2,371,012	2,439,637
General & business				
administration	866,212	665,249	866,212	665,249
School administration	473,184	543,288	473,184	543,288
Plant operations & maintenance	1,375,451	1,334,406	1,322,293	1,334,406
Pupil transportation	1,702,216	1,690,436	1,701,366	1,689,586
Charter schools	132,346	135,699	132,346	135,699
Food service	296,475	205,183	78,876	(47,079)
Interest on long-term debt	25,964	49,814	25,964	49,814
Total expenses	<u>\$ 22,596,441</u>	<u>\$ 22,509,530</u>	<u>\$ 21,529,414</u>	<u>\$ 20,709,479</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and students.

Pupils and instructional staff include activities involved with assisting staff with the content and process of teaching to students.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operations and maintenance of facilities activities involve keeping the school grounds, buildings, and equipment in an effective working condition.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Curriculum and staff development include expenses related to planning, research, development, and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities include expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events or a combination of these for the purposes of motivation, enjoyment, and skill improvement.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

The School District's Funds

All governmental funds, which are comprised of the general fund, special revenue fund, capital projects fund, and debt service fund, presented in the fund-based statements are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$22,522,112 and expenditures were \$22,134,166. The net increase in fund balance was most significant in the general fund.

General Fund Budgeting Highlights

The Great Meadows Regional School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

Budgets are prepared in December/January with revenue information made available in February/March. The budget must be approved by the Board of Education in the beginning of March and sent to the county office for review. The budget is then approved by the Board of Education in late April. The fiscal year runs from July 1 through June 30. Changes can occur over that 18-month period.

Unanticipated shifts in enrollment, staffing needs, students requiring special services, uncertain energy costs, and unfunded programs are often mandated after a budget is adopted.

The District builds a budget to meet the needs of its students based on the information and projections that are available during the budget cycle.

During the course of the 2024 fiscal year, the District amended its general fund budget by transferring funds as needed to prevent over-expenditures in specific line item accounts.

For the general fund, budgetary basis revenues were \$18,382,646 which was \$540,602 above the original budget estimates of \$17,842,044. General fund revenues and other financing sources were more than expenditures and other financing uses by \$699,449.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Capital Assets

At the end of the fiscal year 2024, the School District had \$9,701,253 invested in land, buildings, furniture and equipment, vehicles, and construction in progress.

Table 4 provides a summary of the School District's capital assets net of depreciation at June 30, 2024 with comparisons to June 30, 2023.

Table 4
Capital Assets at Year End
(Net of Depreciation)

	06/30/24	06/30/23	Variance	
			Dollars	%
Land	\$ 159,653	\$ 159,653	\$ -	0.00%
Construction in progress	559,488	295,941	263,547	89.05%
Land improvements	190,111	198,447	(8,336)	-4.20%
Buildings & improvements	8,590,353	9,046,665	(456,312)	-5.04%
Furniture & equipment	173,913	151,699	22,214	14.64%
Right-to-use	27,735	-	27,735	*
Total	<u>\$ 9,701,253</u>	<u>\$ 9,852,405</u>	<u>\$ (178,887)</u>	-1.82%

* Undefined

Overall capital assets decreased \$178,887 from fiscal year 2023 to fiscal year 2024. This is attributable to depreciation expense exceeding capital outlay.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Long-term Liabilities and Debt

At year end, the District had total long-term liabilities of \$3,713,048 outstanding as compared to \$4,765,764 in the previous year, a decrease of 22.09% as shown in Table 5.

Table 5 provides a summary of the District's long-term liabilities at June 30, 2024 with comparisons to June 30, 2023.

Table 5
Long-term Liabilities at Year End

	06/30/23	06/30/22	Variance	
			Dollars	%
2008 Refunding bonds	\$ 525,000	\$ 1,045,000	\$ (520,000)	-49.76%
Premium on bonds	19,627	58,878	(39,251)	-66.66%
Compensated absences	123,963	133,395	(9,432)	-7.07%
PERS net pension liability	1,785,568	2,147,585	(362,017)	-16.86%
Leases payable	1,258,890	1,380,906	(122,016)	-8.84%
Total	<u>\$ 3,713,048</u>	<u>\$ 4,765,764</u>	<u>\$ (1,052,716)</u>	<u>-22.09%</u>

The general obligation bonded debt of the District is limited by State law to 3 percent of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2024 is \$31,049,533. General obligation debt authorized and outstanding at June 30, 2024 is \$525,000 resulting in a legal debt margin of \$30,524,533.

An analysis of the District's debt is presented in Note 5 to the Basic Financial Statements.

Factors Bearing on the District's Future

The Great Meadows Regional School District is working to be in good financial condition. A major concern is the ever-increasing cost of special education with an increased reliance on property taxes to fund the District programs. Future finances are not without challenges as the community continues to struggle in these difficult financial circumstances. District generated tuition amounts and cost avoidance due to in-house programs continue to trend in a positive direction. This coupled with the exemplary practice of sharing costs and services with the Hackettstown School District are just some of the beneficial practices within The Great Meadows Regional School District to offer some relief on the reliance on local property taxes. The District took extreme action to close one of the educational facilities and consolidate the educational program in the remaining two facilities. The reduction in student enrollment and the corresponding reduction in state aid attributed to this decision. This action was taken to reduce the impact on the local tax basis. While this action had some immediate corresponding positive effects on the local tax basis, the unresolved facility need at Liberty School, mandated upgrades and repairs to the sewer plant, will need to be addressed before future utilization of that facility can be implemented.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

The challenges presented to the District during the COVID-19 pandemic have affected the educational priorities of the District and the focus of financial investments. Sanitation and facility safety have also expanded the dependency on financial resources to ensure a safe learning environment for student return to the on-site learning. Specifically, the District has taken positive action to apply for grants to address alternative resolution to sewage treatment at the Liberty site and the HVAC system controls at the Middle School. In efforts to ease financial issues the district has preliminary agreed to join a study on possible regionalization study with neighboring districts experiencing declining student enrollment and state aid.

The Great Meadows Regional School District will continue to make every possible effort to keep the local tax levy increase within the 2% cap. This tax levy cap presents significant challenges to the District as costs for special education, personnel, benefits and operating costs tend to rise at a faster rate. That fact in conjunction with the conclusion of various pandemic related relief grant programs continues to substantially challenge the District's ability to expand educational opportunities. Currently the State has offered stabilization grant to assist with the financial challenges of maintaining enriched educational programs.

Contacting the School District's Financial Management

This 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 about this report or need additional information contact Samantha Westberg, School Business Administrator/Board Secretary at Great Meadows Regional School District, P.O. Box 74, #274 US 46 GMR Middle School, Great Meadows, NJ 07838.

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DISTRICT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 2,862,927	\$ 93,122	\$ 2,956,049
Receivables, net	425,447	9,444	434,891
Due from other funds	-	1,207	1,207
Inventory	-	5,090	5,090
Restricted assets			
Capital reserve account - cash	3,950,697	-	3,950,697
Emergency reserve account - cash	250,000	-	250,000
Maintenance reserve account - cash	818,738	-	818,738
Student activities - cash	18,896	-	18,896
Special revenue fund	2,798	-	2,798
Capital assets, net			
Land and construction in progress	719,142	-	719,142
Other capital assets, net of depreciation and amortization	8,957,818	24,293	8,982,111
Total assets	18,006,463	133,156	18,139,619
Deferred outflows of resources			
Deferred amount on pension activity	259,368	-	259,368
Liabilities			
Accounts payable	534,829	2,650	537,479
Accrued interest	17,662	-	17,662
Payroll deductions and withholding payable	17,914	-	17,914
Unearned revenue	394,254	48,278	442,532
Due to other funds, net	1,207	-	1,207
Long-term liabilities			
Due within one year	723,332	-	723,332
Due beyond one year	2,989,716	-	2,989,716
Total liabilities	4,678,914	50,928	4,729,842
Deferred inflows of resources			
Deferred amount on pension liability	524,473	-	524,473

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Statement of Net Position (continued)
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Net position			
Net investment in capital assets	\$ 7,893,070	\$ 24,293	\$ 7,917,363
Restricted for			
Capital reserve	3,950,697	-	3,950,697
Emergency reserve	250,000	-	250,000
Maintenance reserve	818,738	-	818,738
Student activities	18,896	-	18,896
Tuition reserve	750,000	-	750,000
Unrestricted	(618,957)	57,935	(561,022)
Total net position	<u>\$ 13,062,444</u>	<u>\$ 82,228</u>	<u>\$ 13,144,672</u>

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Statement of Activities
June 30, 2024

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental activities								
Instruction								
Regular	\$ 3,407,562	\$ 3,136,701	\$ 33,973	\$ 159,971	\$ -	\$ (6,350,319)	\$ -	\$ (6,350,319)
Special education	1,164,234	1,333,261	-	217,055	-	(2,280,440)	-	(2,280,440)
Other special instruction	225,450	146,025	-	86,813	-	(284,662)	-	(284,662)
Other instruction	56,471	94,014	-	-	-	(150,485)	-	(150,485)
Support services								
Tuition	5,704,394	-	-	212,139	-	(5,492,255)	-	(5,492,255)
Students and instruction related services	1,586,068	870,413	59,458	26,011	-	(2,371,012)	-	(2,371,012)
General and business administration services	595,690	270,522	-	-	-	(866,212)	-	(866,212)
School administration services	288,922	184,262	-	-	-	(473,184)	-	(473,184)
Plant operations and maintenance	1,235,568	139,883	-	53,158	-	(1,322,293)	-	(1,322,293)
Pupil transportation	1,702,216	-	850	-	-	(1,701,366)	-	(1,701,366)
Transfer to charter schools	132,346	-	-	-	-	(132,346)	-	(132,346)
Interest on long-term debt	25,964	-	-	-	-	(25,964)	-	(25,964)
Total governmental activities	16,124,885	6,175,081	94,281	755,147	-	(21,450,538)	-	(21,450,538)
Business-type activities								
Food service	296,475	-	124,987	92,612	-	-	(78,876)	(78,876)
Total business-type activities	296,475	-	124,987	92,612	-	-	(78,876)	(78,876)
Total primary government	\$ 16,421,360	\$ 6,175,081	\$ 219,268	\$ 847,759	\$ -	(21,450,538)	(78,876)	(21,529,414)
General revenues, special items and transfers								
Property taxes levied for general purposes						15,883,919	-	15,883,919
Property taxes levied for debt service						418,269	-	418,269
Federal and state aid not restricted						6,089,127	-	6,089,127
Investment earnings						230,897	-	230,897
Miscellaneous income						22,982	940	23,922
Total general revenues and special items						22,645,194	940	22,646,134
Change in net position						1,194,656	(77,936)	1,116,720
Net position - beginning						11,867,788	160,164	12,027,952
Net position - ending						\$ 13,062,444	\$ 82,228	\$ 13,144,672

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2024

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 2,862,927	\$ -	\$ -	\$ -	\$ 2,862,927
Due from other funds	-	187,359	-	-	187,359
Receivables from other governments					
Federal	-	213,502	-	-	213,502
State	204,022	-	-	-	204,022
Other accounts receivable	7,923	-	-	-	7,923
Restricted cash and equivalents	5,019,435	21,694	-	-	5,041,129
Total assets	\$ 8,094,307	\$ 422,555	\$ -	\$ -	\$ 8,516,862
Liabilities and fund balances					
Liabilities					
Due to other funds	\$ 188,566	\$ -	\$ -	\$ -	\$ 188,566
Accounts payable	213,544	321,285	-	-	534,829
Payroll deductions and withholdings payable	17,914	-	-	-	17,914
Unearned revenue	-	394,254	-	-	394,254
Total liabilities	420,024	715,539	-	-	1,135,563

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
June 30, 2024

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances (cont'd)					
Fund balances					
Restricted fund balance					
Excess surplus - designated for subsequent year's expenditures	\$ 524,883	\$ -	\$ -	\$ -	\$ 524,883
Excess surplus - current year	261,229	-	-	-	261,229
Capital reserve	3,950,697	-	-	-	3,950,697
Emergency reserve	250,000	-	-	-	250,000
Maintenance reserve	818,738	-	-	-	818,738
Tuition reserve					
Year 2022 - 2023	500,000	-	-	-	500,000
Year 2023 - 2024	250,000	-	-	-	250,000
Student activities	-	18,896	-	-	18,896
Committed fund balance					
Year-end encumbrances	177,488	-	-	-	177,488
Assigned fund balance					
Designated for subsequent year's expenditures	606,402	-	-	-	606,402
Unassigned fund balance	334,846	(311,880)	-	-	22,966
Total fund balances	<u>7,674,283</u>	<u>(292,984)</u>	<u>-</u>	<u>-</u>	<u>7,381,299</u>
Total liabilities and fund balances	<u>\$ 8,094,307</u>	<u>\$ 422,555</u>	<u>\$ -</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in government activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$23,421,832 and the accumulated depreciation is \$13,744,872.	9,676,960
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	(265,105)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(3,713,048)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	<u>(17,662)</u>
Total net position of governmental activities	<u>\$ 13,062,444</u>

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Local sources					
Local tax levy	\$ 15,883,919	\$ -	\$ -	\$ 418,269	\$ 16,302,188
Tuition					
Other LEAs	33,973	-	-	-	33,973
Transportation fees	850	-	-	-	850
Interest on investments	230,897	-	-	-	230,897
Miscellaneous	22,982	63,844	-	-	86,826
Total local sources	16,172,621	63,844	-	418,269	16,654,734
State sources	4,972,706	265,374	-	143,531	5,381,611
Federal sources	380	485,387	-	-	485,767
Total revenues	21,145,707	814,605	-	561,800	22,522,112
Expenditures					
Current					
Instructional					
Regular instruction	3,107,337	300,225	-	-	3,407,562
Special education instruction	1,158,924	5,310	-	-	1,164,234
Other special instruction	134,528	90,922	-	-	225,450
Other instruction	56,471	-	-	-	56,471
Support service and undistributed costs					
Tuition	5,492,255	212,139	-	-	5,704,394
Student and instruction related services	1,291,397	294,671	-	-	1,586,068
General and business administrative services	595,690	-	-	-	595,690
School administrative services	288,922	-	-	-	288,922
Plant operations and maintenance	1,370,608	53,158	-	-	1,423,766
Pupil transportation	1,702,216	-	-	-	1,702,216
Unallocated benefits	4,826,543	44,978	-	-	4,871,521

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Expenditures (cont'd)					
Capital outlay	\$ 91,785	\$ 312,545	\$ -	\$ -	\$ 404,330
Transfer to charter schools	132,346	-	-	-	132,346
Debt service					
Principal	7,135	-	-	520,000	527,135
Interest and other charges	2,261	-	-	41,800	44,061
Total expenditures	<u>20,258,418</u>	<u>1,313,948</u>	<u>-</u>	<u>561,800</u>	<u>22,134,166</u>
Excess (deficiency) of revenues over (under) expenditures	887,289	(499,343)	-	-	387,946
Other financing sources (uses)					
Assets acquired under lease	41,603	-	-	-	41,603
Transfer in (out)	(185,081)	185,081	-	-	-
Total other financing sources (uses)	<u>(143,478)</u>	<u>185,081</u>	<u>-</u>	<u>-</u>	<u>41,603</u>
Net change in fund balance	743,811	(314,262)	-	-	429,549
Fund balances, July 1	<u>6,930,472</u>	<u>21,278</u>	<u>-</u>	<u>-</u>	<u>6,951,750</u>
Fund balances, June 30	<u>\$ 7,674,283</u>	<u>\$ (292,984)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,381,299</u>

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Total net changes in fund balances - governmental fund (from B-2) \$ 429,549

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 expenses. This is the amount by which depreciation exceeds capital outlays in the period:

Capital outlays	\$ 404,330	
Depreciation expense	<u>(577,206)</u>	(172,876)

Repayment of debt principal and leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and are not reported in the Statement of Activities:

Bond principal payments	520,000	
Lease payments	<u>163,619</u>	683,619

Governmental funds report lease proceeds as financing sources whereas issuing debt increase long-term liabilities in the government-wide statements. (41,603)

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

Amortization of bond premium		39,251
------------------------------	--	--------

Governmental funds report District pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. 236,724

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

In the Statement of Activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item. \$ 10,560

In the Statement of Activities, compensated absences and early retirement benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation. 9,432

Change in net position of governmental activities \$ 1,194,656

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2024

	Food Service Fund
Assets	
Current assets	
Cash and cash equivalents	\$ 93,122
Receivables from other governments	
State	746
Federal	8,698
Due from other funds	1,207
Inventory	5,090
Total current assets	108,863
Noncurrent assets	
Capital assets	311,875
Less: accumulated depreciation	287,582
Total noncurrent assets	24,293
Total assets	133,156
Liabilities	
Current liabilities	
Accounts payable	47,026
Unearned revenues - commodities	1,252
Unearned revenues - prepaid sales	2,650
Total liabilities	50,928
Net position	
Invested in capital assets, net of related debt	24,293
Unrestricted	57,935
Total net position	\$ 82,228

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2024

	Food Service Fund
Operating revenues	
Charges for services	
Daily sales - reimbursable programs	\$ 83,813
Daily sales - nonreimbursable programs	41,174
Total operating revenues	124,987
Operating expenses	
Cost of sales - reimbursable programs	85,461
Commodity food costs	18,160
Salaries	60,662
Support services - employee benefits	9,137
Purchased professional/technical services	1,682
Purchased property services	943
Other purchased services	
Insurance	9,778
Management fee	13,340
Supplies and materials	96,380
Depreciation	932
Total operating expenses	296,475
Operating income (loss)	(171,488)
Non-operating revenues (expenses)	
State sources	
State school lunch program	3,454
Federal sources	
National school lunch program	
Cash Assistance	51,117
Non-cash assistance (commodities)	18,160
P-EBT	653
Supply chain assistance	19,228
Other sources	
Miscellaneous	940
Total non-operating revenues (expenses)	93,552
Change in net position	(77,936)
Net position, beginning	160,164
Net position, ending	\$ 82,228

See accompanying notes to the financial statements.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2024

	<u>Food Service Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 124,694
Payments to Food Service Management Company	(140,436)
Payments to vendors (net)	<u>(96,485)</u>
Net cash provided by (used for) operating activities	<u>(112,227)</u>
 Cash flows from non-capital related financing activities	
State sources	2,821
Federal sources	64,978
Miscellaneous	386
Net interfund transactions	<u>(653)</u>
Net cash provided by (used for) non-capital financing activities	<u>67,532</u>
 Cash flow from capital financing activities	
Acquisition of equipment	<u>(22,656)</u>
Net Cash provided by (used for) capital financing activities	<u>(22,656)</u>
 Net increase (decrease) in cash and cash equivalents	(67,351)
 Cash and cash equivalents, beginning	<u>160,473</u>
 Cash and cash equivalents, ending	<u>\$ 93,122</u>
 Reconciliation of operating income (loss) to net cash provided by (used for) operating activities	
Operating income (loss)	\$ (171,488)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation	932
Federal food donation program	18,160
Increase (decrease) in accounts payable	40,130
(Increase) decrease in inventory	1,721
Increase (decrease) in unearned revenues	<u>(1,682)</u>
Net cash provided by (used for) operating activities	<u>\$ (112,227)</u>

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies

The financial statements of the Great Meadows Regional School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local Governmental Units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The Basic Financial Statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts over-all financial position and results of operations.

Basic Financial Statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting entity

The District is a Type II district located in the County of Warren, 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 elected to three-year-terms. The purpose of the District is to educate students in Grades K-8. The District also has a sending/receiving relationship with Hackettstown School District for Grades 9-12. The District serves the communities of the Township of Independence and the Township of Liberty. The District had an approximate enrollment at June 30, 2024 of 663 students.

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

1. The Organization is legally separate (can sue or be sued in their own name).
2. The District holds the corporate powers of the Organization.
3. The District appoints a voting majority of the Organization's Board.
4. The District is able to impose its will on the Organization.
5. The Organization has the potential to impose a financial benefit/burden on the District.
6. There is a fiscal dependency by the Organization on the District.

Based on the aforementioned criteria, the District has no component units.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the Fund Financial Statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary Fund Financial Statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive mon under the established payment schedule and the unpaid amount is considered to be accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

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

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the 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 non-instructional equipment, which are classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the 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, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by Board Resolution.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources from State and Federal Government (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes in the special revenue fund. As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

The District did not utilize the capital projects fund during the fiscal year.

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Additionally, the District reports the following fund types:

Proprietary fund types

Proprietary Fund - The focus of proprietary fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)
C. Measurement focus, basis of accounting, and financial statement presentation (continued)
Proprietary fund types (continued)

Enterprise Fund - The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's enterprise fund is comprised of the food service fund.

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 years
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Fiduciary fund types

The District does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No. 84, *Fiduciary Activities*.

D. Budgets/budgetary control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and, if necessary, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum Chart of Accounts referenced in N.J.A.C. 6:23-16.2(f)1. All budget amendments must be approved by School Board Resolution.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

D. Budgets/budgetary control (continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last 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.

E. 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 reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the Balance Sheet as unearned revenues 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.

F. Tuition receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition payable

Tuition charges for the fiscal year 2023-2024 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-term interfund receivable and payables

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

I. Inventories and prepaid items

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at Balance Sheet date is reported as unearned revenue as title does not pass to the School District until the commodities are used. Prepaid items in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

J. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Buildings	45 - 50
Building improvements & portable classroom	10 - 45
Land improvements	12 - 20
Furniture	20
Maintenance equipment	10 - 15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	7 - 10
Office equipment	5 - 10
Computer equipment	5 - 10
Vehicles	5 - 10

K. Compensated absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by GASB Statement No. 16, *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

K. Compensated absences (continued)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. The District's 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 District for the unused sick leave in accordance with the Districts' agreements with the various employee unions.

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the Balance Sheet date for which a payment is probable. Salary related payments for the employer's share of Social Security and Medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

L. Unearned revenue

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

Unearned revenue in the enterprise fund includes United States government commodity inventories at year end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year end are also included in unearned revenue.

M. Long-term obligations

In the government-wide financial statements and in internal service fund types in the Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the Fund Financial Statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

N. Net position

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

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted - 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 credits, grantors, or laws or regulations of their governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund balances - governmental funds

In the Fund Financial Statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

When expenditure is incurred for purposes in which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Use of 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 assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Q. Allocation of indirect expenses

Certain expenses, which have not been charged to a specific function in the District's Fund Financial Statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF Pension contributions, reimbursed TPAF Social Security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

R. Deferred outflows/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. Currently, the District has one item that qualifies for reporting in this category, deferred amount on pension activity. 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount on pension activity.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 2 - Tax assessments and property taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the Municipality, the Municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et. seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1, respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection by, the Municipality (the collection agency) and are transmitted to the School District in accordance with the Schedule of Tax Installments as certified by the School District's Board of Education on an annual basis.

Note 3 - Deposits and cash equivalents and investments

Cash and cash equivalents include petty cash, change funds, cash in banks. As of June 30, 2024, the District had no investments.

New Jersey Governmental Units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey Governmental Units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies. The State of New Jersey does not place any limit on the amount that the District may invest with any one issuer.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 3 - Deposits and cash equivalents and investments (continued)

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District does not have a policy for custodial credit risk. New Jersey statutes require that cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, employee salary withholdings, or funds that may pass to the District relative to the happening of a future condition.

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 Act. Public depositories include savings and loan institutions, banks (both state and national banks) and saving banks the deposits of which are federally insured.

As of June 30, 2024, the District’s bank balances were exposed to custodial credit risk as follows:

Insured by the FDIC	\$	250,000
Insured by GUDPA		8,403,734
Total bank balances	\$	<u>8,653,734</u>

Deposits at June 30, 2024 appear in the financial statements as summarized below:

	<u>Ref.</u>	
Unrestricted cash		
Government funds, Balance Sheet	B-1	\$ 2,862,927
Enterprise funds, Statement of Net Position	B-4	93,122
Restricted cash		
Governmental funds, Balance Sheet	B-1	<u>5,041,129</u>
Total cash		<u>\$ 7,997,178</u>

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated or amortized				
Land	\$ 159,653	\$ -	\$ -	\$ 159,653
Construction in progress	295,941	312,545	48,997	559,489
Total	<u>455,594</u>	<u>312,545</u>	<u>48,997</u>	<u>719,142</u>
Capital assets, being depreciated or amortized				
Land improvements	992,057	7,365	-	999,422
Building and improvements	20,968,268	55,533	-	21,023,801
Furniture and equipment	601,583	36,281	-	637,864
Right-to-use	-	41,603	-	41,603
Total	<u>22,561,908</u>	<u>140,782</u>	<u>-</u>	<u>22,702,690</u>
Accumulated depreciation or amortization				
Land improvements	793,610	15,702	-	809,312
Building and improvements	11,921,603	511,845	-	12,433,448
Furniture and equipment	452,453	35,791	-	488,244
Right-to-use	-	13,868	-	13,868
Total	<u>13,167,666</u>	<u>577,206</u>	<u>-</u>	<u>13,744,872</u>
Total capital assets, being depreciated or amortized, net	<u>9,394,242</u>	<u>(436,424)</u>	<u>-</u>	<u>8,957,818</u>
Transfers	<u>-</u>	<u>(48,997)</u>	<u>(48,997)</u>	<u>-</u>
Governmental activities capital assets, net	<u>\$ 9,849,836</u>	<u>\$ (172,876)</u>	<u>\$ -</u>	<u>\$ 9,676,960</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities				
Furniture and equipment	\$ 289,219	\$ 22,656	\$ -	\$ 311,875
Less: accumulated depreciation or amortization	<u>286,650</u>	<u>932</u>	<u>-</u>	<u>287,582</u>
Business type activities capital assets, net	<u>\$ 2,569</u>	<u>\$ 21,724</u>	<u>\$ -</u>	<u>\$ 24,293</u>

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets (continued)

Depreciation expense was charged to governmental functions in the current year as follows:

Instruction					
Regular			\$	277,314	
Special education				86,763	
Other special instruction				16,801	
Other instruction				4,208	
Support services					
Student and instruction				118,809	
General and business administration				44,393	
School administration				21,532	
Plant maintenance				7,386	
Total depreciation expense, governmental activities			\$	577,206	

Note 5 - Long-term debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds payable	\$ 1,045,000	\$ -	\$ 520,000	\$ 525,000	\$ 525,000
Premium on bonds	58,878	-	39,251	19,627	19,627
Compensated absences payable	133,395	-	9,432	123,963	-
PERS net pension liability	2,147,585	-	362,017	1,785,568	-
Leases payable	1,380,906	41,603	163,619	1,258,890	178,705
Total governmental activities long-term liabilities	\$ 4,765,764	\$ 41,603	\$ 1,094,319	\$ 3,713,048	\$ 723,332

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2024, including interest payments are listed as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 525,000	\$ 21,000	\$ 546,000
Total	\$ 525,000	\$ 21,000	\$ 546,000

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt (continued)

General Obligation Bonds - General obligation school building bonds payable at June 30, 2024, with their outstanding balances are comprised of the following individual issues:

\$3,600,000 - General obligation school refunding bonds, interest at 2.00% to 4.00%, due in annual installments beginning January 15, 2018 to January 15, 2025. \$ 525,000

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2024 is \$31,049,533. General obligation debt at June 30, 2024 is \$525,000, resulting in a legal debt margin of \$30,524,533.

Leases payable

The annual requirements for the lease payable as of June 30, 2024, including interest payments are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2025	\$ 178,705	\$ 29,348	\$ 208,053
2026	189,557	24,747	214,304
2027	196,261	19,899	216,160
2028	198,378	15,246	213,624
2029 - 2031	495,989	16,700	512,689
Total	<u>\$ 1,258,890</u>	<u>\$ 105,940</u>	<u>\$ 1,364,830</u>

Leases Payable - Leases payable at June 30, 2024, with their outstanding balances are comprised of the following:

\$2,600,000 - 2015 Energy Savings Improvement Plan, interest at 2.363%, due in semi-annual installments beginning September 20, 2015 to March 20, 2031. \$ 1,224,422

\$41,603 - 2024 Copier lease, interest at 4.82%, due in monthly installments beginning December 2024 to February of 2027. 34,468

Total \$ 1,258,890

Note 6 - Pension plans

Description of systems

Substantially all of the Board's employees participate in one of the following defined benefit public employee retirement systems which have been established by State statute: The Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

Description of systems (continued)

The DCRP system is administered by Empower for the Division of Pensions and Benefits. The Teachers' Pension and Annuity Fund retirement system is considered a multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers.

A. Public Employees' Retirement System (PERS)

Plan description

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All pension benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled 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.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS)

Allocation methodology and reconciliation to financial statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the Schedule of Employer and Nonemployer Allocations and applied to amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer are based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the state and local groups of the Plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the Schedule of Employer and Nonemployer Allocations are applied to amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer. The allocation percentages for each group as of June 30, 2023 measurement date are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023 measurement date.

Contributions

The contribution policy for PERS is set by N.J.S.A. 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 2023, the State's pension contribution was more than the actuarial determined amount.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Contributions (continued)

The employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, PL 2009 provided an option for 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.

The District's contractually required contribution rate for the year ended June 30, 2024 was 12.73% of the District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Special funding situation

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for PERS as of the measurement date of June 30, 2023:

Net pension liability	\$	1,785,568
Proportionate share		0.0123275451%

Plan fiduciary net position as a percentage of the total pension liability	65.23%
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The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

Inflation rate		
Price		2.75%
Wage		3.25%

Salary increases (based years of service)	2.75 – 6.55%
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Investment rate of return	7.00%
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Preretirement 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 generational basis. Mortality improvement is based on Scale MP-2021.

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Long-term expected rate of return

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

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. equity	28.00%	8.98%
Non-U.S. developed markets equity	12.75%	9.22%
International small cap equity	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private equity	13.00%	12.50%
Real assets	8.00%	8.58%
Real estate	3.00%	8.40%
High yield	4.50%	6.97%
Private credit	8.00%	9.20%
Investment grade credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk mitigation strategies	3.00%	6.21%

Discount rate

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2023 measurement date, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$	1,785,568
At a 1% lower rate (6.00%)		2,344,026
At a 1% higher rate (8.00%)		1,338,112

Collective deferred outflows of resources and deferred inflows of resources

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 17,072	\$ 7,299
Changes of assumptions	3,923	108,213
Net difference between projected and actual earnings on pension plan investments	8,223	-
Changes in proportion and differences between District contributions and proportionate share of contributions	65,389	408,961
District contributions subsequent to the measurement date	164,761	-
Total	<u>\$ 259,368</u>	<u>\$ 524,473</u>

The amount reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date (i.e., for the school year ending June 30, 2024, the Plan measurement date is June 30, 2023) of \$164,761 will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Collective deferred outflows of resources and deferred inflows of resources (continued)

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2023 measurement date:

	Beginning Balance	Net Change in Activity	Ending Balance
Deferred outflows of resources			
Differences between expected and actual experience	\$ 15,500	\$ 1,572	\$ 17,072
Changes of assumptions	6,654	(2,731)	3,923
Differences between expected and actual experience	88,887	(80,664)	8,223
Deferred inflows of resources			
Differences between expected and actual experience	(13,669)	6,370	(7,299)
Changes in assumptions	(321,579)	213,366	(108,213)
Difference between projected and actual earnings on pension plan investments	-	-	-
Net changes	\$ (224,207)	\$ 137,913	\$ (86,294)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense as follows:

Fiscal Year Ending June 30,

2024	\$ (94,271)
2025	(52,618)
2026	73,531
2027	(13,159)
2028	223
Total	\$ (86,294)

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Changes in proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21, and 5.63 years for the 2023, 2022, 2021, 2020, 2019, and 2018, respectively.

Pension expense (benefit)

For the fiscal year ended June 30, 2024, the District recognized net pension expense (benefit) of (\$70,112), which represents the District's proportionate share of allocable plan pension expense of (\$17,998), plus the net amortization of deferred amounts from changes in proportion of (\$68,658), plus the pension expense related to specific liabilities of individual employers of \$1,851, plus other adjustments to the net pension liability of \$14,693. The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the fiscal year ending June 30, 2023 measurement date are as follows:

Service cost	\$	149,375
Interest on total pension liability		564,113
Benefit changes		-
Member contributions		(120,471)
Administrative expense		2,636
Expected investment return net of investment expense		(332,517)
Pension expense related to specific liabilities of individual employers		(2,220)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		9,738
Changes of assumptions		(272,397)
Difference between projected and actual investment earnings on pension plan investments		(16,255)
Pension expense (benefit)	<u>\$</u>	<u>(17,998)</u>

B. Teacher's Pension and Annuity Fund (TPAF)

Plan description

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher’s Pension and Annuity Fund (TPAF) (continued)

Plan description (continued)

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

The following represents the membership tiers for TPAF:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled 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 with 25 years or more of service credit before age 62, and Tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing 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 the fiscal year 2023, the State’s pension contribution was more than the actuarial determined amount.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher’s Pension and Annuity Fund (TPAF) (continued)

Special funding situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows of resources or deferred inflows of resources 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 non-employer 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 non-employer contributing entities’ total proportionate share of the collective pension expense associated with the local participating employer.

During the State fiscal year ending June 30, 2023, the State of New Jersey contributed \$1,777,108 to the TPAF for normal pension benefits on behalf of the District.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Collective net pension liability and actuarial information

The District’s proportionate share of the net pension liability for TPAF for fiscal year ended June 30, 2023 measurement date is as follows:

District proportionate share of net pension liability	\$ 33,319,717
Less: State proportionate share of net pension liability	11,553,787
Net pension liability	\$ 21,765,930
 Proportionate share	 0.0426509728%
 Plan fiduciary net position as a percentage of the total pension liability	 34.68%

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Actuarial assumptions

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

Inflation rate

Price	2.75%
Wage	3.25%

Salary increases (based on years of service) 2.75 - 4.25%

Investment rate of return 7.00%

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

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher’s Pension and Annuity Fund (TPAF) (continued)

Long-term expected rate of return

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

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. equity	28.00%	8.98%
Non-U.S. developed markets equity	12.75%	9.22%
International small cap equity	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private equity	13.00%	12.50%
Real assets	8.00%	8.58%
Real estate	3.00%	8.40%
High yield	4.50%	6.97%
Private credit	8.00%	9.20%
Investment grade credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk mitigation strategies	3.00%	6.21%

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make 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 after that date in determining the total pension liability.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2023 measurement date, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$	21,765,930
At a 1% lower rate (6.00%)		25,665,981
At a 1% higher rate (8.00%)		18,481,160

Pension expense

The components of allocable pension expense, which exclude pension expense related to specific liabilities of individual employers, for the District for the year ended June 30, 2023 measurement date are as follows:

Service cost	\$	580,999
Interest on total pension liability		2,243,868
Benefit changes		-
Member contributions		(397,346)
Administrative expense		5,784
Expected investment return net of investment expense		(725,668)
Pension expense related to specific liabilities of individual employers		(191)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		83,368
Changes of assumptions		(1,298,448)
Difference between projected and actual investment earnings on pension plan investments		42,360
Pension expense	\$	<u>534,726</u>

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch. 92, PL 2007 and expanded under the provisions of Ch. 89, PL 2008 and Ch. 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, 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 maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$9,300 in 2024) but who earn salary of at least \$5,000 annually are eligible to participate. The Program Administrator, Empower, makes information regarding the program available on its New Jersey Defined Contribution Program website: njplans.empower-retirement.com.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

C. Defined Contribution Retirement Program (continued)

Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. The District's contribution to the DCRP for fiscal year ended June 30, 2024 was \$544.

D. Other pension plan information

During the fiscal year ended June 30, 2024, the State of New Jersey contributed \$507,732 to the TPAF for postretirement medical benefits, \$21,036 for non-contributory insurance premiums, \$748 for long-term disability insurance, and \$1,844,506 for normal costs and accrued liability costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$344,677 during the fiscal year ended June 30, 2024 for the employer's share of Social Security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB Statement 68.

Note 7 - Postretirement benefits

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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 Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits. In fiscal year 2022, the State paid OPEB benefits for 161,238 State and local retirees.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP).

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, 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: TPAF, PERS, PFRS, or ABP.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

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

The State is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. The State, as a non-employer contributing entity, reported a fiscal year 2023 total OPEB liability of \$52,361,668,239 for this special funding situation.

Additional information on Pensions and OPEB can be accessed at <https://www.state.nj.us/treasury/taxation/payments-notice.shtml>.

Total OPEB liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under Paragraphs 193 and 203 through 205 of GASB Statement No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the District.

Under a special funding situation, the State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Therefore, the following OPEB liability note information is reported at the State's level and is not accrued by the District.

For purposes of reporting required GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District's proportionate share of allocable OPEB liability and employer OPEB expense and related revenue as of June 30, 2023 measurement date is as follows:

State's proportionate share of the OPEB liability	\$ 52,361,668,239
District's proportionate share of the State's OPEB liability	29,113,405
Employer OPEB expense and related revenue	432,215
Allocable proportionate percentage	0.0556006063%

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)
Changes in the total OPEB liability

	<u>Total OPEB Liability</u>
Total OPEB liability at June 30, 2022	\$ 28,388,248
Service cost	1,053,822
Interest cost	1,025,339
Change of benefit terms	-
Differences between expected and actual experiences	(639,693)
Changes of assumptions	58,681
Member contributions	26,276
Gross benefit payments	(799,268)
Total OPEB liability at June 30, 2023	\$ 29,113,405

There were no changes of the benefit terms from June 30, 2022 to June 30, 2023.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% as of the June 30, 2022 Plan measurement date to 3.65% as of the June 30, 2023 Plan measurement date.

The total non-employer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. 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</u>	<u>PERS</u>
	(based on years of service)	(based on years of service)
Salary increases	2.75% - 4.25%	2.75% - 6.55%

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

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Changes in the total OPEB liability (continued)

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

Health care trend assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 PPO, the trend is increasing to 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount rate

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

Sensitivity of the total OPEB liability to changes in the discount rates

The following presents the total non-employer OPEB liability as of June 30, 2023 measurement date, using the District's allocable proportionate percentage, calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Total OPEB liability (school retirees)

At current discount rate (3.65%)	\$	29,113,405
At a 1% lower rate (2.65%)		34,130,469
At a 1% higher rate (4.65%)		25,085,285

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total non-employer OPEB liability, as well as what the total non-employer OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower or 1% point higher than the current healthcare cost trend rates:

Total OPEB liability (school retirees)

Healthcare cost trend rate	\$	29,113,405
At a 1% lower rate (1% decrease)		24,168,615
At a 1% higher rate (1% increase)		35,583,676

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

OPEB expense and deferred outflows and inflows of resources related to OPEB

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$1,157,372 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and in which there is a special funding situation.

In accordance with GASB Statement No. 75, the District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

Note 8 - Deferred compensation

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

Equitable Syracusa Benefits	Lincoln Investment Planning
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Note 9 - Interfund receivable and payables

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

	Receivable Fund	Payable Fund
General fund	\$ -	\$ 188,566
Special revenue fund	187,359	-
Food service fund	1,207	-
Total	\$ 188,566	\$ 188,566

The special revenue fund had an interfund receivable from the general fund for \$187,359 representing for grant receipts posted to the general fund. The food service fund had an interfund receivable of \$1,207 for P-EBT funds due from the general fund.

Note 10 - Inventory

Inventory in the food service fund as of June 30, 2024 consisted of the following:

Food	\$ 3,567
Supplies	1,523
Total	\$ 5,090

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 11 - Contingent liabilities

Amounts received, or are receivables, from grantor agencies could be subject to audit and adjusted by grantor agencies. Any disallowed claims, including amounts already collected, may result in a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the Grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

Note 12 - Risk management

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete Schedule of Insurance Coverage can be found in the Statistical Section of the Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the Contributory Method. Under this Plan, the District is required to remit the entire employee deduction of unemployment compensation to the State. Any claims for unemployment are paid for by the State from those funds.

Note 13 - Reserve accounts

A capital reserve account was established by the 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 Districts approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit to the Reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 13 - Reserve accounts (continued)

The following schedule is a summarization of the reserve accounts for the current year:

Reserve Type	Beginning Balance	District Contrib.	Interest Earnings	Return Unused Withdrawal	Withdrawal	Ending Balance
Capital	\$ 3,450,697	\$ 500,000	\$ -	\$ -	\$ -	\$ 3,950,697
Emergency	250,000	-	-	-	-	250,000
Maintenance	834,068	154,670	-	-	170,000	818,738
Tuition	500,000	500,000	-	-	250,000	750,000
Total	<u>\$ 5,034,765</u>	<u>\$ 1,154,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 420,000</u>	<u>\$ 5,769,435</u>

Note 14 - Fund balance-general fund

As described in Note 1 (O), fund balance may be restricted, committed or assigned. An analysis of the general fund balance on June 30, 2024 is as follows:

Restricted

Excess surplus - designated for subsequent year's expenditures. Amount appropriated in the succeeding year's budget to reduce tax requirements.	\$ 524,883
Excess surplus - represents amount in excess of allowable percentage of expenditures. In accordance with State statute, the excess surplus is designated for utilization in succeeding year's budgets.	261,229
Capital reserve account - represents funds restricted to capital projects in the Districts long range facilities plan.	3,950,697
Emergency reserve account - represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education.	250,000
Maintenance reserve account - represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A.18A:76-9).	818,738
Tuition reserve account - represents funds accumulated for future tuition adjustments pursuant to N.J.A.C. 6A:23A-17.1(f).	750,000

Committed

Year-end encumbrance - represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30.	177,488
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Assigned

Designated surplus - designated for subsequent year's expenditures - represents amount appropriated in the succeeding year's budget to reduce tax requirements.	606,402
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Unassigned

Undesignated - represents fund balance which has not been restricted or designated.	<u>523,517</u>
Total fund balance - budgetary basis (Exhibit C-1)	7,862,954
Last state aid payments recognized on GAAP basis	(188,671)
Total fund balance - GAAP basis (Exhibit B-1)	<u>\$ 7,674,283</u>

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 15 - Calculation of excess surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004, Ch. 73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$524,883.

Note 16 - Deficit balance in unrestricted net position

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2024 of (\$618,957) on Schedule A-1 Statement of Net Position. The deficit balance is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

Note 17 - Deficit unassigned fund balance in the special revenue fund

The District has a deficit unassigned fund balance of (\$311,880) in the special revenue fund as of June 30, 2024 as reported in the fund statements. PL 2005, Chapter 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For inter-governmental transactions, GASB Statement No. 33 requires the recognition (revenue, expenditure, asset and liability) should be in symmetry, (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State is recording the last state aid payment in the subsequent fiscal year, the School District cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the special revenue fund balance deficit does not alone indicate that the District is facing financial difficulties.

Note 18 - Recent accounting pronouncements not yet effective

The following is of recent accounting pronouncements which are not yet effective as of the year-end date of this report and which are expected to have a material impact on the District's financial reporting.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This statement is effective for reporting periods beginning after December 15, 2023. The District is evaluating the effect of the pronouncement on financial reporting.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement is effective for reporting periods beginning after June 15, 2024. The District is evaluating the effect of the pronouncement on financial reporting.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement is effective for reporting periods beginning after June 15, 2025. The District is evaluating the effect of the pronouncement on financial reporting.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Financial Statements

Note 19 - Subsequent events

The District has evaluated subsequent events through December 20, 2024, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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BUDGETARY COMPARISON SCHEDULES

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 15,883,919	\$ -	\$ 15,883,919	\$ 15,883,919	\$ -
Tuition from individuals	30,000	-	30,000	-	(30,000)
Tuition from other LEA's within the State	-	-	-	33,973	33,973
Transportation fees from other LEAs	-	-	-	850	850
Unrestricted miscellaneous revenues	20,000	-	20,000	253,879	233,879
Total	15,933,919	-	15,933,919	16,172,621	238,702
State sources					
Categorical transportation aid	147,093	-	147,093	147,093	-
Extraordinary aid	-	-	-	158,933	158,933
Categorical special education aid	763,471	-	763,471	763,471	-
Equalization aid	873,160	-	873,160	873,160	-
Categorical security aid	105,232	-	105,232	105,232	-
Other state aid	-	-	-	10,920	10,920
Stabilization aid	-	-	-	150,836	150,836
TPAF Pension (on-behalf)	-	-	-	1,844,506	1,844,506
TPAF Non-contributory insurance	-	-	-	21,036	21,036
TPAF Social Security (reimbursed)	-	-	-	344,677	344,677
TPAF Postretirement benefits	-	-	-	507,732	507,732
TPAF Long-term disability insurance	-	-	-	748	748
Total	1,888,956	-	1,888,956	4,928,344	3,039,388
Federal Sources					
Medicaid reimbursement	19,169	-	19,169	-	(19,169)
ARRA/SEMI revenue	-	-	-	380	380
Total	19,169	-	19,169	380	(18,789)
Total revenues	\$ 17,842,044	\$ -	\$ 17,842,044	\$ 21,101,345	\$ 3,259,301
Expenditures					
Current					
Instruction - regular program					
Salaries of teachers					
Kindergarten	\$ 134,495	\$ 63,370	\$ 197,865	\$ 196,874	\$ 991
Grades 1-5	1,550,461	139,089	1,689,550	1,633,018	56,532
Grades 6-8	1,034,185	(133,395)	900,790	881,133	19,657
Home instruction					
Salaries of teachers	2,000	4,200	6,200	5,309	891
Purchased professional - educational services	3,660	(500)	3,160	2,830	330
Regular programs - undistributed instruction					
Other salaries for instruction	-	5,900	5,900	5,000	900
Purchased professional - educational services	3,500	(2,000)	1,500	-	1,500
Purchased technical services	62,300	(700)	61,600	43,354	18,246
Other purchased services	106,600	(4,600)	102,000	89,518	12,482
General supplies	201,368	61,900	263,268	228,184	35,084
Textbooks	7,700	-	7,700	-	7,700
Other objects	250	-	250	-	250
Total	3,106,519	133,264	3,239,783	3,085,220	154,563
Special education					
Learning and/or language disabilities					
Salaries of teachers	157,560	(200)	157,360	156,841	519
Other salaries for instruction	57,000	25,200	82,200	81,612	588
General supplies	1,000	-	1,000	488	512
Total	215,560	25,000	240,560	238,941	1,619

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Emotional regulation impairment					
Salaries of teachers	\$ 82,685	\$ 2,300	\$ 84,985	\$ 84,490	\$ 495
Other salaries for instruction	21,000	100	21,100	21,026	74
General supplies	1,000	-	1,000	356	644
Total	<u>104,685</u>	<u>2,400</u>	<u>107,085</u>	<u>105,872</u>	<u>1,213</u>
Multiple disabilities					
Salaries of teachers	68,755	14,990	83,745	83,731	14
Other salaries for instruction	19,000	(17,390)	1,610	-	1,610
General supplies	1,000	-	1,000	259	741
Total	<u>88,755</u>	<u>(2,400)</u>	<u>86,355</u>	<u>83,990</u>	<u>2,365</u>
Resource room/resource center					
Salaries of teachers	426,115	14,200	440,315	428,299	12,016
Other salaries for instruction	215,000	15,800	230,800	228,723	2,077
General supplies	1,360	-	1,360	226	1,134
Total	<u>642,475</u>	<u>30,000</u>	<u>672,475</u>	<u>657,248</u>	<u>15,227</u>
Autism					
Salaries of teachers	64,720	800	65,520	65,448	72
Other salaries for instruction	17,000	(13,000)	4,000	-	4,000
General supplies	2,500	3,200	5,700	3,600	2,100
Total	<u>84,220</u>	<u>(9,000)</u>	<u>75,220</u>	<u>69,048</u>	<u>6,172</u>
Preschool disabilities - full-time					
Salaries of teachers	157,005	-	157,005	2,827	154,178
Other salaries for instruction	57,000	8,000	65,000	-	65,000
Purchased professional - educational services	5,000	(5,000)	-	-	-
General supplies	2,500	(2,500)	-	-	-
Total	<u>221,505</u>	<u>500</u>	<u>222,005</u>	<u>2,827</u>	<u>219,178</u>
Home instruction					
Salaries of teachers	10,000	-	10,000	-	10,000
Purchased professional-educational services	5,000	-	5,000	998	4,002
Total	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>998</u>	<u>14,002</u>
Total special education	<u>1,372,200</u>	<u>46,500</u>	<u>1,418,700</u>	<u>1,158,924</u>	<u>259,776</u>
Basic skills/remedial					
Salaries of teachers	122,163	(60,370)	61,793	51,663	10,130
General supplies	1,000	-	1,000	-	1,000
Total	<u>123,163</u>	<u>(60,370)</u>	<u>62,793</u>	<u>51,663</u>	<u>11,130</u>
Bilingual education - instruction					
Salaries of teachers	82,865	-	82,865	82,865	-
General supplies	1,000	-	1,000	-	1,000
Total	<u>83,865</u>	<u>-</u>	<u>83,865</u>	<u>82,865</u>	<u>1,000</u>
School-sponsored co/extra curricular activities - instruction					
Salaries	7,000	2,000	9,000	7,649	1,351
Supplies and materials	200	-	200	-	200
Other objects	-	1,000	1,000	869	131
Total	<u>7,200</u>	<u>3,000</u>	<u>10,200</u>	<u>8,518</u>	<u>1,682</u>

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
School-sponsored athletics - instruction					
Salaries	\$ 2,500	\$ 500	\$ 3,000	\$ 2,736	\$ 264
Purchased services	1,500	(500)	1,000	-	1,000
Supplies and materials	350	-	350	-	350
Total	<u>4,350</u>	<u>-</u>	<u>4,350</u>	<u>2,736</u>	<u>1,614</u>
Summer school - instruction					
Salaries of teachers	42,000	8,760	50,760	45,217	5,543
Other salaries of instruction	12,000	(12,000)	-	-	-
Purchased professional & technical services	10,460	-	10,460	-	10,460
General supplies	1,000	-	1,000	-	1,000
Total	<u>65,460</u>	<u>(3,240)</u>	<u>62,220</u>	<u>45,217</u>	<u>17,003</u>
Summer school - support services					
Salaries	4,040	240	4,280	-	4,280
Total	<u>4,040</u>	<u>240</u>	<u>4,280</u>	<u>-</u>	<u>4,280</u>
Total summer school	<u>69,500</u>	<u>(3,000)</u>	<u>66,500</u>	<u>45,217</u>	<u>21,283</u>
Total instruction regular	<u>\$ 4,766,797</u>	<u>\$ 119,394</u>	<u>\$ 4,886,191</u>	<u>\$ 4,435,143</u>	<u>\$ 451,048</u>
Undistributed expenditures					
Undistributed expenditures - instruction					
Tuition to other LEA's within the State - regular	\$ 4,371,000	\$ 61,800	\$ 4,432,800	\$ 4,428,197	\$ 4,603
Tuition to other LEA's within the State - special	809,824	(45,000)	764,824	743,382	21,442
Tuition to county vocational school district - regular	14,000	-	14,000	13,675	325
Tuition to county vocational school district - special	6,000	-	6,000	6,000	-
Tuition to cssd & regional day schools	-	49,140	49,140	21,496	27,644
Tuition to priv. school for the disabled w/i state	439,535	40,200	479,735	279,505	200,230
Tuition to priv. sch. disabled & other LEAs-spl, o/s state	-	6,902	6,902	-	6,902
Total	<u>5,640,359</u>	<u>113,042</u>	<u>5,753,401</u>	<u>5,492,255</u>	<u>261,146</u>
Undistributed expenditures - attendance & social work					
Salaries	5,000	-	5,000	5,000	-
Total	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Undistributed expenditures - health services					
Salaries	153,420	(8,500)	144,920	138,033	6,887
Purchased professional and technical services	12,000	5,000	17,000	8,138	8,862
Supplies and materials	19,000	(8,671)	10,329	10,139	190
Total	<u>184,420</u>	<u>(12,171)</u>	<u>172,249</u>	<u>156,310</u>	<u>15,939</u>
Undistributed expenditures - speech, ot, pt & related services					
Salaries	163,945	-	163,945	150,875	13,070
Purchased professional - educational services	230,000	-	230,000	199,791	30,209
Supplies and materials	2,767	500	3,267	550	2,717
Other objects	500	(500)	-	-	-
Total	<u>397,212</u>	<u>-</u>	<u>397,212</u>	<u>351,216</u>	<u>45,996</u>
Undistributed expenditures - other supp. Serv. stds. - extra service					
Salaries	154,000	22,000	176,000	149,470	26,530
Purchased professional - educational services	101,000	(87,000)	14,000	-	14,000
Supplies and materials	3,000	-	3,000	-	3,000
Total	<u>258,000</u>	<u>(65,000)</u>	<u>193,000</u>	<u>149,470</u>	<u>43,530</u>

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Undistributed expenditures - guidance					
Salaries of other professional staff	\$ 145,595	\$ 5,000	\$ 150,595	\$ 149,771	\$ 824
Purchased professional - educational services	1,000	800	1,800	1,659	141
Other purchased professional & technical services	3,000	3,200	6,200	4,005	2,195
Supplies and materials	1,500	-	1,500	505	995
Total	151,095	9,000	160,095	155,940	4,155
Undistributed expenditures - child study teams					
Salaries of other professional staff	175,135	17,776	192,911	192,374	537
Salaries of secretarial and clerical assistants	27,500	4	27,504	27,504	-
Purchased professional - educational services	30,000	(21,780)	8,220	5,464	2,756
Other purchased professional & technical services	6,500	-	6,500	3,401	3,099
Other purchased services	900	-	900	-	900
Supplies and materials	11,500	-	11,500	9,953	1,547
Total	251,535	(4,000)	247,535	238,696	8,839
Undistributed expenditures - improvement of inst. service					
Salaries of other professional staff	40,000	-	40,000	40,000	-
Salaries of secretarial & clerical assist	1,500	-	1,500	-	1,500
Other salaries	66,560	(7,168)	59,392	49,773	9,619
Other purchased services	6,750	2,168	8,918	8,483	435
Supplies and materials	1,500	-	1,500	-	1,500
Other objects	1,000	-	1,000	-	1,000
Total	117,310	(5,000)	112,310	98,256	14,054
Undistributed expenditures - edu. media service/sch. library					
Salaries	78,806	200	79,006	78,852	154
Salaries of technology coordinators	37,000	-	37,000	36,996	4
Supplies and materials	12,950	73,900	86,850	19,543	67,307
Total	128,756	74,100	202,856	135,391	67,465
Undistributed expenditures - instructional staff training services					
Other purchased services	9,000	-	9,000	1,118	7,882
Total	9,000	-	9,000	1,118	7,882
Undistributed expenditures - support service - general admin.					
Salaries	197,262	3,776	201,038	197,638	3,400
Legal services	32,000	(3,839)	28,161	28,161	-
Audit fees	22,500	9,850	32,350	26,350	6,000
Purchased technical services	1,750	-	1,750	-	1,750
Communications/telephone	39,400	(10,086)	29,314	25,124	4,190
BOE other purchased services	2,500	-	2,500	-	2,500
Misc purch services	50,220	19,200	69,420	64,560	4,860
General supplies	2,000	(400)	1,600	674	926
BOE in-house training/meeting supplies	200	2,000	2,200	182	2,018
Miscellaneous expenditures	6,600	3,150	9,750	9,663	87
BOE membership dues and fees	12,300	(150)	12,150	11,643	507
Total	366,732	23,501	390,233	363,995	26,238
Undistributed expenditures - support service - school admin.					
Salaries of principals/assistant principals	200,479	3,000	203,479	180,761	22,718
Salaries of secretarial and clerical assistants	101,500	5,000	106,500	96,538	9,962
Supplies and materials	10,000	(300)	9,700	9,463	237
Other objects	2,000	300	2,300	2,160	140
Total	313,979	8,000	321,979	288,922	33,057

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Undistributed expenditures - central services					
Salaries	\$ 209,260	\$ 5,800	\$ 215,060	\$ 197,387	\$ 17,673
Purchased professional services	3,250	4,000	7,250	1,350	5,900
Miscellaneous purchased services	29,150	3,000	32,150	25,193	6,957
Supplies and materials	3,440	-	3,440	2,691	749
Other objects	4,900	200	5,100	5,074	26
Total	250,000	13,000	263,000	231,695	31,305
Undistributed expenditures - admin. info. technology					
Purchased technical services	2,500	-	2,500	-	2,500
Supplies and materials	800	-	800	-	800
Total	3,300	-	3,300	-	3,300
Undistributed expenditures - req. maint. for school facilities					
Salaries	80,075	3,255	83,330	83,167	163
Cleaning, repair, and maintenance services	261,526	121,073	382,599	269,006	113,593
General supplies	41,000	47,000	88,000	74,318	13,682
Other objects	1,000	-	1,000	80	920
Total	383,601	171,328	554,929	426,571	128,358
Undistributed expenditures - custodial services					
Salaries	266,656	48,541	315,197	304,899	10,298
Salaries of non-instructional aides	17,000	(17,000)	-	-	-
Purchased professional and technical services	20,000	(13,341)	6,659	-	6,659
Cleaning, repair, and maintenance service	39,000	7,500	46,500	46,141	359
Lease purchase pymts - energy savings impr prog	188,198	-	188,198	188,198	-
Insurance	90,800	2,100	92,900	92,867	33
Miscellaneous purchased services	5,000	-	5,000	1,287	3,713
General supplies	42,000	(6,700)	35,300	20,365	14,935
Energy (natural gas)	65,000	-	65,000	47,755	17,245
Energy (electricity)	180,000	(28,000)	152,000	120,051	31,949
Energy (oil)	30,000	1,500	31,500	31,293	207
Other objects	3,000	-	3,000	425	2,575
Total	946,654	(5,400)	941,254	853,281	87,973
Undistributed expenditures - care and upkeep of grounds					
Salaries	5,500	-	5,500	-	5,500
Purchased professional and technical services	8,300	-	8,300	-	8,300
Cleaning, repair, and maintenance service	12,500	-	12,500	6,717	5,783
General supplies	14,960	-	14,960	13,043	1,917
Total	41,260	-	41,260	19,760	21,500
Undistributed expenditures - security					
Salaries	25,800	-	25,800	21,861	3,939
Purchased professional and technical services	31,300	(12,000)	19,300	14,876	4,424
Cleaning, repair, and maintenance service	21,000	-	21,000	19,428	1,572
General supplies	3,000	12,000	15,000	14,831	169
Total	81,100	-	81,100	70,996	10,104

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Undistributed expenditures - student transportation service					
Salaries of non-instructional aides	\$ 20,000	\$ 7,885	\$ 27,885	\$ 27,885	\$ -
Salaries for pupil trans (between home & school) - reg.	16,000	(7,885)	8,115	7,101	1,014
Contract service-aid in lieu pymts - non-public schools	47,000	(1,619)	45,381	32,726	12,655
Contract service-aid in lieu pymts-charter school students	10,000	(1,300)	8,700	8,155	545
Contract serv-aid in lieu pymts-choice school students	-	3,000	3,000	2,330	670
Contr service (oth. than between home & school) - vend.	7,350	2,619	9,969	9,969	-
Contract service (sp ed stds) - vendors	38,208	(11,000)	27,208	21,555	5,653
Contract service (sp. ed. stds.) - joint agreements	-	9,000	9,000	8,408	592
Contract service (reg. students) - ESCs & CTSAAs	916,000	130,000	1,046,000	1,021,450	24,550
Contract service (spl. ed. students) - ESCs & CTSAAs	677,000	(64,700)	612,300	561,684	50,616
General supplies	500	1,000	1,500	953	547
Total	<u>1,732,058</u>	<u>67,000</u>	<u>1,799,058</u>	<u>1,702,216</u>	<u>96,842</u>
Allocated benefits - employee benefits					
Regular programs - instruction					
Unused sick payment to terminated/retired staff	-	28,000	28,000	22,117	5,883
Total	<u>-</u>	<u>28,000</u>	<u>28,000</u>	<u>22,117</u>	<u>5,883</u>
Total allocated benefits - employees	<u>\$ -</u>	<u>\$ 28,000</u>	<u>\$ 28,000</u>	<u>\$ 22,117</u>	<u>\$ 5,883</u>
Unallocated benefits - employee benefits					
Social Security contributions	\$ 140,000	\$ 1,701	\$ 141,701	\$ 141,701	\$ -
Other retirement contributions - PERS	190,000	(1,701)	188,299	166,612	21,687
Other retirement contributions - regular	2,000	-	2,000	919	1,081
Unemployment compensation	35,000	-	35,000	26,970	8,030
Workmen's compensation	85,500	(12,000)	73,500	57,324	16,176
Health benefits	2,258,715	(272,600)	1,986,115	1,677,205	308,910
Tuition reimbursement	57,616	-	57,616	28,054	29,562
Other employee benefits	30,637	-	30,637	9,059	21,578
Unused sick payment to terminated/retired staff	28,000	(28,000)	-	-	-
Total	<u>2,827,468</u>	<u>(312,600)</u>	<u>2,514,868</u>	<u>2,107,844</u>	<u>407,024</u>
On-behalf TPAF Pension contribution	-	-	-	1,844,506	(1,844,506)
On-behalf TPAF Non-contributory insurance	-	-	-	21,036	(21,036)
On-behalf TPAF Postretirement medical benefits	-	-	-	507,732	(507,732)
On-behalf TPAF Long-term disability insurance	-	-	-	748	(748)
Reimbursed TPAF Social Security contribution	-	-	-	344,677	(344,677)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,718,699</u>	<u>(2,718,699)</u>
Total undistributed expenditures	<u>\$ 14,088,839</u>	<u>\$ 102,800</u>	<u>\$ 14,191,639</u>	<u>\$ 15,589,748</u>	<u>\$ (1,398,109)</u>
Total current	<u>\$ 18,855,636</u>	<u>\$ 222,194</u>	<u>\$ 19,077,830</u>	<u>\$ 20,024,891</u>	<u>\$ (947,061)</u>
Capital outlay					
Equipment					
Undistributed					
Undistributed expend. - instruction	\$ -	\$ 3,074	\$ 3,074	\$ 3,074	\$ -
Undistributed expend. - support service - related & extra.	-	12,171	12,171	12,171	-
Undistributed expend. - req. maint. for school facilities	-	29,537	29,537	29,537	-
Undistributed expend. - care and upkeep of grounds	-	5,400	5,400	5,400	-
Total equipment	<u>-</u>	<u>50,182</u>	<u>50,182</u>	<u>50,182</u>	<u>-</u>
Facilities acquisition and construction service					
Lease purchase agreements - principal	-	7,135	7,135	7,135	-
Assessment for debt service on SDA funding	2,261	-	2,261	2,261	-
Total facilities acquisition and construction service	<u>2,261</u>	<u>7,135</u>	<u>9,396</u>	<u>9,396</u>	<u>-</u>

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Assets acquired under leases (non-budgeted)					
Undistributed					
Undistributed expenditures - instructional supplies	\$ -	\$ 41,603	\$ 41,603	\$ 41,603	\$ -
Total assets acquired under leases	<u>-</u>	<u>41,603</u>	<u>41,603</u>	<u>41,603</u>	<u>-</u>
Total capital outlay	<u>\$ 2,261</u>	<u>\$ 98,920</u>	<u>\$ 101,181</u>	<u>\$ 101,181</u>	<u>\$ -</u>
Transfer of funds to charter schools	\$ 151,602	\$ -	\$ 151,602	\$ 132,346	\$ 19,256
Total expenditures	<u>\$ 19,009,499</u>	<u>\$ 321,114</u>	<u>\$ 19,330,613</u>	<u>\$ 20,258,418</u>	<u>\$ (927,805)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,167,455)</u>	<u>\$ (321,114)</u>	<u>\$ (1,488,569)</u>	<u>\$ 842,927</u>	<u>\$ 2,331,496</u>
Other financing sources (uses)					
Operating transfer out					
Transfer to special revenue fund - preschool programs	-	-	-	(185,081)	(185,081)
Leases (non-budgeted)	-	41,603	41,603	41,603	-
Total other financing sources (uses)	<u>-</u>	<u>41,603</u>	<u>41,603</u>	<u>(143,478)</u>	<u>(185,081)</u>
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	(1,167,455)	(279,511)	(1,446,966)	699,449	2,146,415
Fund balances, July 1	7,163,505	-	7,163,505	7,163,505	-
Fund balances, June 30	<u>\$ 5,996,050</u>	<u>\$ (279,511)</u>	<u>\$ 5,716,539</u>	<u>\$ 7,862,954</u>	<u>\$ 2,146,415</u>
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Adjustment for prior year encumbrances	\$ (102,767)	\$ -	\$ (102,767)	\$ (102,767)	\$ -
Increase in capital reserve	-	500,000	500,000	500,000	-
Increase in maintenance reserve	-	154,670	154,670	154,670	-
Withdrawal from maintenance reserve	(170,000)	-	(170,000)	(170,000)	-
Increase in tuition reserve	-	250,000	250,000	250,000	-
Withdrawal from tuition reserve	(250,000)	-	(250,000)	(250,000)	-
Budgeted fund balance	(644,688)	(1,184,181)	(1,828,869)	317,546	2,146,415
Total	<u>\$ (1,167,455)</u>	<u>\$ (279,511)</u>	<u>\$ (1,446,966)</u>	<u>\$ 699,449</u>	<u>\$ 2,146,415</u>
Recapitulation of fund balance					
Restricted fund balance					
Excess surplus - designated for subsequent year's expenditures				\$ 524,883	
Excess surplus - current year				261,229	
Capital reserve				3,950,697	
Emergency reserve				250,000	
Maintenance reserve				818,738	
Tuition reserve					
Year 2022 - 2023				500,000	
Year 2023 - 2024				250,000	
Committed fund balance					
Year-end encumbrances				177,488	
Assigned fund balance					
Designated for subsequent year's expenditures				606,402	
Unassigned fund balance				<u>523,517</u>	
Fund balance per budgetary basis				7,862,954	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				<u>(188,671)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 7,674,283</u>	

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources	\$ 135,401	\$ -	\$ 135,401	\$ 63,844	\$ (71,557)
State sources	950,180	-	935,644	787,571	(148,073)
Federal sources	652,540	(24,950)	642,126	530,966	(111,160)
Total revenues	<u>1,738,121</u>	<u>(24,950)</u>	<u>1,713,171</u>	<u>1,382,381</u>	<u>(330,790)</u>
Other Financing Sources					
Transfers in	185,081	-	185,081	185,081	-
Total revenues & other financing sources	<u>\$ 1,923,202</u>	<u>\$ (24,950)</u>	<u>\$ 1,898,252</u>	<u>\$ 1,567,462</u>	<u>\$ (330,790)</u>
Expenditures					
Instruction					
Salaries	\$ 355,778	\$ 24,220	\$ 379,998	\$ 317,433	\$ 62,565
Purchased professional and technical services	114,136	(61,588)	52,548	15,171	37,377
Other purchased services	217,994	(205,379)	12,615	12,243	372
General supplies	145,552	(74,335)	71,217	58,108	13,109
Other objects	-	3,356	3,356	3,059	297
Total	<u>833,460</u>	<u>(313,726)</u>	<u>519,734</u>	<u>406,014</u>	<u>113,720</u>
Support services					
Tuition	-	217,994	217,994	212,139	5,855
Salaries	211,086	(94,796)	116,290	24,147	92,143
Employee benefits	141,547	(24,103)	117,444	51,029	66,415
Purchased professional and technical services	326,060	(186,024)	140,036	138,748	1,288
Plant operations and maintenance	86,039	282,063	368,102	367,733	369
Other purchased services	98,963	(33,960)	65,003	42,864	22,139
Transportation	133,027	(127,000)	6,027	-	6,027
Supplies and materials	13,668	254,704	268,372	265,330	3,042
Student activities	61,840	-	61,840	61,840	-
Total	<u>1,072,230</u>	<u>288,878</u>	<u>1,361,108</u>	<u>1,163,830</u>	<u>197,278</u>
Capital outlay					
Facilities	19,894	(102)	19,792	-	19,792
Total	<u>19,894</u>	<u>(102)</u>	<u>19,792</u>	<u>-</u>	<u>19,792</u>
Total expenditures	<u>\$ 1,925,584</u>	<u>\$ (24,950)</u>	<u>\$ 1,900,634</u>	<u>\$ 1,569,844</u>	<u>\$ 330,790</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (2,382)	\$ -	\$ (2,382)	\$ (2,382)	\$ -
Fund balances, July 1	21,278	-	21,278	21,278	-
Fund balances, June 30	<u>\$ 18,896</u>	<u>\$ -</u>	<u>\$ 18,896</u>	<u>\$ 18,896</u>	<u>\$ -</u>
Recapitulation of fund balance					
Restricted fund balance				\$ 18,896	
Student activities				<u>18,896</u>	
Fund balance per budgetary basis				18,896	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				(311,880)	
Fund balance per governmental funds (GAAP)				<u>\$ (292,984)</u>	

See independent auditors' reports.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2024

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

<u>Sources/Inflows of Resources</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 21,101,345	\$ 1,567,462
Differences - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding encumbrances - current year	-	(255,896)
The last state aid payment is 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 expenses (GASB 33):		
State aid receivable - prior year	233,033	-
State aid receivable - current year	(188,671)	(311,880)
Total revenues (GAAP basis)	<u>\$ 21,145,707</u>	<u>\$ 999,686</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$20,258,418	\$ 1,569,844
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Outstanding encumbrances - current year	-	(255,896)
Total expenditures (GAAP basis)	<u>\$ 20,258,418</u>	<u>\$ 1,313,948</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	District's proportion of the net pension liability (asset)		District's covered employee payroll	District's proportion of the net pension liability (asset)	Plan fiduciary net position as
	Percentage	Value		as a percentage of its covered employee payroll	as a percentage of the total pension liability
2015	0.0158783260%	\$ 3,564,366	\$ 1,009,899	352.94%	47.93%
2016	0.0145045105%	4,295,820	954,391	450.11%	40.14%
2017	0.0140210442%	3,263,875	985,451	331.21%	48.10%
2018	0.0148077227%	2,915,567	1,046,342	278.64%	53.60%
2019	0.0153185121%	2,760,163	1,095,150	252.04%	56.27%
2020	0.0154721941%	2,523,110	1,080,612	233.49%	58.32%
2021	0.0137690860%	1,631,155	978,669	166.67%	70.33%
2022	0.0142305445%	2,147,585	941,005	228.22%	62.91%
2023	0.0123275451%	1,785,568	1,097,235	162.73%	65.23%
2024	N/A	N/A	1,294,369	N/A	N/A

N/A = Information not available

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 138,876	\$ (138,876)	\$ -	\$ 1,009,899	13.75%
2016	136,511	(136,511)	-	954,391	14.30%
2017	130,174	(130,174)	-	985,451	13.21%
2018	129,890	(129,890)	-	1,046,342	12.41%
2019	147,289	(147,289)	-	1,095,150	13.45%
2020	149,004	(149,004)	-	1,080,612	13.79%
2021	169,258	(169,258)	-	978,669	17.29%
2022	161,252	(161,252)	-	941,005	17.14%
2023	179,454	(179,454)	-	1,097,235	16.36%
2024	164,761	(164,761)	-	1,294,369	12.73%

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Proportionate share of net pension liability (asset)				District's covered employee payroll	District's proportion of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
	District's proportion		State's proportion	Total			
	Percentage	Value					
2015	0.00%	\$ -	\$ 37,018,875	\$ 37,018,875	\$ 5,419,890	0.00%	28.71%
2016	0.00%	-	44,158,384	44,158,384	5,527,363	0.00%	22.33%
2017	0.00%	-	35,897,530	35,897,530	5,715,574	0.00%	25.41%
2018	0.00%	-	34,573,944	34,573,944	5,730,946	0.00%	26.49%
2019	0.00%	-	34,070,868	34,070,868	5,634,331	0.00%	26.95%
2020	0.00%	-	35,907,159	35,907,159	5,406,693	0.00%	24.60%
2021	0.00%	-	24,616,006	24,616,006	5,113,504	0.00%	35.52%
2022	0.00%	-	24,793,908	24,793,908	5,155,131	0.00%	32.29%
2023	0.00%	-	21,765,930	21,765,930	4,790,641	0.00%	34.68%
2024	N/A	N/A	N/A	N/A	4,687,113	N/A	N/A

N/A = Information not available

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of District's Contributions
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 316,652	\$ (316,652)	\$ -	\$ 5,419,890	5.84%
2016	449,428	(449,428)	-	5,527,363	8.13%
2017	598,866	(598,866)	-	5,715,574	10.48%
2018	819,751	(819,751)	-	5,730,946	14.30%
2019	1,114,727	(1,114,727)	-	5,634,331	19.78%
2020	1,116,234	(1,116,234)	-	5,406,693	20.65%
2021	1,235,659	(1,235,659)	-	5,113,504	24.16%
2022	1,500,515	(1,500,515)	-	5,155,131	29.11%
2023	2,011,240	(2,011,240)	-	4,790,641	41.98%
2024	1,777,108	(1,777,108)	-	4,687,113	37.91%

See independent auditors' report.

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (GASB 75)
(UNAUDITED)**

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Other
Postemployment Employee Benefits Liability
Last Ten Fiscal Years

	Proportionate share of other postemployment employee benefits liability (asset)				District's covered employee payroll	District's proportion of the other postemployment employee liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total other postemployment employee benefits liability
	District's proportion		State's proportion	Total			
	Percentage	Value					
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	0.00%	\$ -	\$ 31,237,261	\$ 31,237,261	\$ 6,701,025	0.00%	0.00%
2018	0.00%	-	27,209,475	27,209,475	6,777,288	0.00%	0.00%
2019	0.00%	-	24,468,224	24,468,224	6,729,481	0.00%	0.00%
2020	0.00%	-	40,143,202	40,143,202	6,487,305	0.00%	0.00%
2021	0.00%	-	34,544,687	34,544,687	6,092,173	0.00%	0.00%
2022	0.00%	-	28,388,248	28,388,248	6,096,136	0.00%	0.00%
2023	0.00%	-	29,113,405	29,113,405	5,887,876	0.00%	0.00%
2024	N/A	N/A	N/A	N/A	5,981,482	N/A	N/A

N/A = Information not available

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Required Supplementary Information - Part III
(Unaudited)
June 30, 2024

- Note 1 - Special funding situation - PERS, TPAF and other postretirement benefits
The participating employer allocations included in the supplemental Schedule of Employer Special Funding Allocations and the supplemental Schedule of Special Funding Amounts by Employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense and other postretirement benefits (OPEB) expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability and OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF) and for OPEB allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.
- Note 2 - Changes in assumptions - TPAF
The discount rate was 7.00% in State fiscal year 2022 and 7.00% in State fiscal year 2023. The inflation rate was 2.75% in State fiscal year 2022 and 2.75% in State fiscal year 2023.
- Note 3 - Changes in assumptions - PERS
The discount rate was 7.00% in State fiscal year 2022 and 7.00% in State fiscal year 2023. The inflation rate was 2.75% for State fiscal year 2022 and 2.75% for State fiscal year 2023.
- Note 4 - Changes in assumptions - other postretirement employee benefits
The other postretirement employee benefits discount rate increased from 3.54% in State fiscal year 2022 to 3.65% in State fiscal year 2023.
- Note 5 - Changes in healthcare trend assumptions - other postretirement employee benefits
For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 PPO, the trend is increasing to 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	IDEA Basic	IDEA Preschool	ESSA Title IA	ESSA Title IIA	ESSA Title IV	Coronavirus Relief Fund	CRRSA ESSER II	CRRSA Mental Health	CRRSA Learning Acceleration	ARP IDEA Basic
Revenues										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	212,139	4,915	90,922	42,864	8,951	90	102	10,534	4,699	283
Total revenues	212,139	4,915	90,922	42,864	8,951	90	102	10,534	4,699	283
Other financing sources										
Transfer from general fund	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	\$ 212,139	\$ 4,915	\$ 90,922	\$ 42,864	\$ 8,951	\$ 90	\$ 102	\$ 10,534	\$ 4,699	\$ 283
Expenditures										
Instruction										
Salaries	\$ -	\$ -	\$ 85,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,268	\$ -
Purchased professional and technical services	-	-	-	-	1,000	-	-	10,534	-	-
Other purchased services	-	-	-	-	-	-	-	-	-	-
General supplies	-	4,915	1,686	-	2,392	90	-	-	-	-
Other objects	-	-	-	-	3,059	-	-	-	-	-
Total	-	4,915	86,813	-	6,451	90	-	10,534	4,268	-
Support services										
Tuition	212,139	-	-	-	-	-	-	-	-	-
Salaries	-	-	-	-	-	-	-	-	-	-
Employee benefits	-	-	4,109	-	-	-	-	-	431	-
Purchased professional and technical services	-	-	-	-	2,500	-	-	-	-	-
Plant operations & maintenance	-	-	-	-	-	-	102	-	-	-
Other purchased services	-	-	-	42,864	-	-	-	-	-	-
Supplies and materials	-	-	-	-	-	-	-	-	-	283
Student activities	-	-	-	-	-	-	-	-	-	-
Total	212,139	-	4,109	42,864	2,500	-	102	-	431	283
Total expenditures	\$ 212,139	\$ 4,915	\$ 90,922	\$ 42,864	\$ 8,951	\$ 90	\$ 102	\$ 10,534	\$ 4,699	\$ 283
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, July 1	-	-	-	-	-	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditors' reports.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2024

	ARP IDEA Preschool	ARP ESSER III	ARP Accelerated Learning	ARP Beyond the School Day	NJTSS Mental Health	Preschool Expansion Aid	Local	Student Activities	Total
Revenues									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,386	\$ 59,458	\$ 63,844
State sources	-	-	-	-	-	787,571	-	-	787,571
Federal sources	395	46,169	52,036	19,624	37,243	-	-	-	530,966
Total revenues	395	46,169	52,036	19,624	37,243	787,571	4,386	59,458	1,382,381
Other financing sources									
Transfer from general fund	-	-	-	-	-	185,081	-	-	185,081
Total revenues and other financing sources	\$ 395	\$ 46,169	\$ 52,036	\$ 19,624	\$ 37,243	\$ 972,652	\$ 4,386	\$ 59,458	\$ 1,567,462
Expenditures									
Instruction									
Salaries	\$ -	\$ 3,493	\$ -	\$ 10,415	\$ -	\$ 214,130	\$ -	\$ -	\$ 317,433
Purchased professional and technical services	-	-	-	-	-	3,637	-	-	15,171
Other purchased services	-	-	-	-	12,243	-	-	-	12,243
General supplies	395	29,057	-	9,209	-	8,778	1,586	-	58,108
Other objects	-	-	-	-	-	-	-	-	3,059
Total	395	32,550	-	19,624	12,243	226,545	1,586	-	406,014
Support services									
Tuition	-	-	-	-	-	-	-	-	212,139
Salaries	-	12,107	-	-	-	12,040	-	-	24,147
Employee benefits	-	1,512	-	-	-	44,977	-	-	51,029
Purchased professional and technical services	-	-	52,036	-	25,000	59,212	-	-	138,748
Plant operations & maintenance	-	-	-	-	-	367,631	-	-	367,733
Other purchased services	-	-	-	-	-	-	-	-	42,864
Supplies and materials	-	-	-	-	-	262,247	2,800	-	265,330
Student activities	-	-	-	-	-	-	-	61,840	61,840
Total	-	13,619	52,036	-	25,000	746,107	2,800	61,840	1,163,830
Total expenditures	\$ 395	\$ 46,169	\$ 52,036	\$ 19,624	\$ 37,243	\$ 972,652	\$ 4,386	\$ 61,840	\$ 1,569,844
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,382)	\$ (2,382)
Fund balances, July 1	-	-	-	-	-	-	-	21,278	21,278
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,896	\$ 18,896

See independent auditors' reports.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid - Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	Final Budget	Actual	Variance Final to Actual
Expenditures			
Instruction			
Salaries	\$ 157,005	\$ 157,005	\$ -
Other salaries for instruction	72,000	57,125	14,875
Other purchased services	10,000	-	10,000
Purchased professional and technical services	10,889	3,637	7,252
Supplies	10,000	8,778	1,222
Total	<u>259,894</u>	<u>226,545</u>	<u>33,349</u>
Support services			
Salaries - supervisor of instruction	11,000	-	11,000
Salaries - other professional staff	43,958	-	43,958
Salaries - secretarial & clerical	7,400	-	7,400
Salaries - other	24,320	-	24,320
Salaries - community parent involvement	6,020	6,020	-
Salaries - master teachers	6,020	6,020	-
Employee benefits	65,839	44,977	20,862
Purchased professional and technical services	60,000	59,212	788
Purchased property services	368,000	367,631	369
Transportation	6,027	-	6,027
Supplies	262,247	262,247	-
Total	<u>860,831</u>	<u>746,107</u>	<u>114,724</u>
Total expenditures	<u>\$ 1,120,725</u>	<u>\$ 972,652</u>	<u>\$ 148,073</u>

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2024

Calculation of Budget & Carryover

Total revised 2023 - 2024 preschool education aid allocation	\$ 935,644
Add: actual ECPA/PEA carryover (June 30, 2023)	-
Add: budgeted transfer from general fund	<u>185,081</u>
Total preschool education aid funds available for 2023 - 2024 budget	1,120,725
Less: 2023 - 2024 budgeted preschool education aid	<u>(1,120,725)</u>
Available and unbudgeted preschool education aid funds as of June 30, 2024	-
Add: 2023 - 2024 unexpended preschool education aid	<u>148,073</u>
2023 - 2024 Actual carryover preschool education aid	<u>\$ 148,073</u>
Preschool education aid carryover budgeted for preschool programs 2024 - 2025	<u>\$ -</u>

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LONG-TERM DEBT SCHEDULES

The Long-Term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding, obligations under leases, and early retirement program.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance	Issued	Retired	Balance
			Date	Amount		07/01/23			06/30/24
General obligation refunding school bonds of 2017	11/15/17	\$ 3,600,000	01/15/25	\$ 525,000	4.000%	\$ 1,045,000	\$ -	\$ 520,000	\$ 525,000
						<u>\$ 1,045,000</u>	<u>\$ -</u>	<u>\$ 520,000</u>	<u>\$ 525,000</u>

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2024

Description	Interest Rate	Amount of Original of Issue	Balance 07/01/23	Issued	Retired	Balance 06/30/24
Copiers	4.820%	\$ 41,603	\$ -	\$ 41,603	\$ 7,135	\$ 34,468
Energy system improvement plan	2.363%	2,600,000	1,380,906	-	156,484	1,224,422
			<u>\$ 1,380,906</u>	<u>\$ 41,603</u>	<u>\$ 163,619</u>	<u>\$ 1,258,890</u>

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 418,269	\$ -	\$ 418,269	\$ 418,269	\$ -
State sources					
Debt service aid	143,531	-	143,531	143,531	-
Total revenues	<u>561,800</u>	<u>-</u>	<u>561,800</u>	<u>561,800</u>	<u>-</u>
Expenditures					
Regular debt service					
Interest on bonds	41,800	-	41,800	41,800	-
Redemption of principal	520,000	-	520,000	520,000	-
Total expenditures	<u>561,800</u>	<u>-</u>	<u>561,800</u>	<u>561,800</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

STATISTICAL SECTION

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Statistical Section J Series

CONTENTS	PAGE
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 to J-13
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	J-14 to J-15
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules are derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.	
The District implemented GASB Statement No. 84 in the fiscal year ending June 30, 2021. Schedules presenting information relating to the implementation of GASB Statement No. 84 include information beginning in that year.	

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Government activities										
Net investment in capital assets	\$ 2,906,201	\$ 3,547,474	\$ 4,084,810	\$ 4,853,873	\$ 5,808,547	\$ 6,326,853	\$ 7,058,854	\$ 7,030,181	\$ 7,423,930	\$ 7,893,070
Restricted	899,157	415,757	862,712	1,061,750	1,173,130	2,076,467	3,092,912	4,064,681	5,306,043	5,788,331
Unrestricted	(3,440,685)	(3,538,141)	(3,489,388)	(3,554,787)	(3,425,188)	(3,321,869)	(2,705,721)	(1,681,449)	(862,185)	(618,957)
Total governmental activities	<u>\$ 364,673</u>	<u>\$ 425,090</u>	<u>\$ 1,458,134</u>	<u>\$ 2,360,836</u>	<u>\$ 3,556,489</u>	<u>\$ 5,081,451</u>	<u>\$ 7,446,045</u>	<u>\$ 9,413,413</u>	<u>\$ 11,867,788</u>	<u>\$ 13,062,444</u>
Business-type activities										
Net investment in capital assets	\$ 6,668	\$ 4,796	\$ 2,925	\$ 1,174	\$ 179	\$ -	\$ -	\$ -	\$ 2,569	\$ 24,293
Unrestricted	48,414	41,153	26,288	12,408	21,297	25,383	39,555	111,701	157,595	57,935
Total business-type activities	<u>\$ 55,082</u>	<u>\$ 45,949</u>	<u>\$ 29,213</u>	<u>\$ 13,582</u>	<u>\$ 21,476</u>	<u>\$ 25,383</u>	<u>\$ 39,555</u>	<u>\$ 111,701</u>	<u>\$ 160,164</u>	<u>\$ 82,228</u>
District-wide										
Net investment in capital assets	\$ 2,912,869	\$ 3,552,270	\$ 4,087,735	\$ 4,855,047	\$ 5,808,726	\$ 6,326,853	\$ 7,058,854	\$ 7,030,181	\$ 7,426,499	\$ 7,917,363
Restricted	899,157	415,757	862,712	1,061,750	1,173,130	2,076,467	3,092,912	4,064,681	5,306,043	5,788,331
Unrestricted	(3,392,271)	(3,496,988)	(3,463,100)	(3,542,379)	(3,403,891)	(3,296,486)	(2,666,166)	(1,569,748)	(704,590)	(561,022)
Total district-wide	<u>\$ 419,755</u>	<u>\$ 471,039</u>	<u>\$ 1,487,347</u>	<u>\$ 2,374,418</u>	<u>\$ 3,577,965</u>	<u>\$ 5,106,834</u>	<u>\$ 7,485,600</u>	<u>\$ 9,525,114</u>	<u>\$ 12,027,952</u>	<u>\$ 13,144,672</u>

*

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 7,613,489	\$ 7,910,503	\$ 8,368,806	\$ 7,961,570	\$ 7,709,719	\$ 7,283,064	\$ 5,970,776	\$ 6,893,984	\$ 6,941,807	\$ 6,544,263
Special education	1,451,427	1,769,666	2,952,136	3,809,930	3,610,405	3,359,475	3,605,520	3,351,482	2,144,205	2,497,495
Other special instruction	455,968	778,035	653,234	916,837	744,688	678,737	569,134	589,031	565,119	371,475
Other instruction	30,420	37,620	46,947	93,641	96,976	58,954	55,425	92,942	68,354	150,485
Support services										
Tuition	7,137,647	6,880,632	6,186,512	6,259,441	6,034,009	5,762,878	5,689,668	5,595,282	5,436,780	5,704,394
Student and instruction related services	1,813,729	2,047,647	2,163,420	2,513,196	2,448,466	2,465,064	3,053,931	2,801,770	2,729,190	2,456,481
General and business administrative services	726,105	765,762	713,839	895,058	693,777	670,724	1,697,040	734,601	665,249	866,212
School administration	890,623	978,926	1,119,479	1,228,043	979,070	898,315	645,414	610,910	543,288	473,184
Plant operations and maintenance	1,381,404	1,285,345	1,383,480	1,599,573	1,453,307	1,308,010	2,396,109	1,081,928	1,334,406	1,375,451
Pupil transportation	1,060,410	1,203,671	1,181,826	1,305,574	1,348,293	1,411,263	1,090,336	1,531,998	1,690,436	1,702,216
Transfer to charter schools	-	-	-	76,004	127,203	151,041	151,690	128,035	135,699	132,346
Interest on long-term debt	280,325	263,557	252,774	232,784	143,014	129,591	87,222	73,205	49,814	25,964
Total governmental activities expenses	<u>22,841,547</u>	<u>23,921,364</u>	<u>25,022,453</u>	<u>26,891,651</u>	<u>25,388,927</u>	<u>24,177,116</u>	<u>25,012,265</u>	<u>23,485,168</u>	<u>22,304,347</u>	<u>22,299,966</u>
Business-type activities										
Food services	218,877	203,262	209,843	206,372	177,659	140,687	95,300	210,263	205,183	296,475
Total business-type activities	<u>218,877</u>	<u>203,262</u>	<u>209,843</u>	<u>206,372</u>	<u>177,659</u>	<u>140,687</u>	<u>95,300</u>	<u>210,263</u>	<u>205,183</u>	<u>296,475</u>
Total district expenses	<u>\$ 23,060,424</u>	<u>\$ 24,124,626</u>	<u>\$ 25,232,296</u>	<u>\$ 27,098,023</u>	<u>\$ 25,566,586</u>	<u>\$ 24,317,803</u>	<u>\$ 25,107,565</u>	<u>\$ 23,695,431</u>	<u>\$ 22,509,530</u>	<u>\$ 22,596,441</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program revenues										
Governmental activities										
Charges for services	\$ 68,901	\$ 53,780	\$ 416,067	\$ 370,766	\$ 288,101	\$ 211,237	\$ 125,337	\$ 121,834	\$ 140,990	\$ 94,281
Operating grants and contributions	304,284	330,790	314,302	319,491	305,743	306,692	386,847	533,279	1,406,799	755,147
Capital grants and contributions	-	-	-	368,176	-	-	-	-	-	-
Total governmental activities	<u>373,185</u>	<u>384,570</u>	<u>730,369</u>	<u>1,058,433</u>	<u>593,844</u>	<u>517,929</u>	<u>512,184</u>	<u>655,113</u>	<u>1,547,789</u>	<u>849,428</u>
Business-type activities										
Charges for services										
Food service	142,244	133,924	131,763	123,635	128,306	83,551	2,391	26,513	129,171	124,987
Operating grants and contributions	57,792	60,044	61,071	66,120	57,020	51,800	107,073	255,896	123,091	92,612
Total business-type activities	<u>200,036</u>	<u>193,968</u>	<u>192,834</u>	<u>189,755</u>	<u>185,326</u>	<u>135,351</u>	<u>109,464</u>	<u>282,409</u>	<u>252,262</u>	<u>217,599</u>
Total district-wide program revenues	<u>\$ 573,221</u>	<u>\$ 578,538</u>	<u>\$ 923,203</u>	<u>\$ 1,248,188</u>	<u>\$ 779,170</u>	<u>\$ 653,280</u>	<u>\$ 621,648</u>	<u>\$ 937,522</u>	<u>\$ 1,800,051</u>	<u>\$ 1,067,027</u>
Net (expense) revenues										
Governmental activities	\$ (22,468,362)	\$ (23,536,794)	\$ (24,292,084)	\$ (25,833,218)	\$ (24,795,083)	\$ (23,659,187)	\$ (24,500,081)	\$ (22,830,055)	\$ (20,756,558)	\$ (21,450,538)
Business-type activities	<u>(18,841)</u>	<u>(9,294)</u>	<u>(17,009)</u>	<u>(16,617)</u>	<u>7,667</u>	<u>(5,336)</u>	<u>14,164</u>	<u>72,146</u>	<u>47,079</u>	<u>(78,876)</u>
Total district-wide net expenses	<u>\$ (22,487,203)</u>	<u>\$ (23,546,088)</u>	<u>\$ (24,309,093)</u>	<u>\$ (25,849,835)</u>	<u>\$ (24,787,416)</u>	<u>\$ (23,664,523)</u>	<u>\$ (24,485,917)</u>	<u>\$ (22,757,909)</u>	<u>\$ (20,709,479)</u>	<u>\$ (21,529,414)</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General revenues and other changes in net position										
Governmental activities										
Property taxes levied for general purposes, net	\$ 12,919,163	\$ 13,258,492	\$ 13,698,655	\$ 13,910,278	\$ 14,188,484	\$ 14,472,254	\$ 14,895,043	\$ 15,267,127	\$ 15,572,470	\$ 15,883,919
Taxes levied for debt service	536,107	520,240	518,156	517,876	488,155	438,452	451,921	436,882	414,398	418,269
Unrestricted grants and contributions	9,051,461	9,809,299	11,040,473	12,239,143	11,263,157	10,196,628	11,484,998	9,484,708	7,049,037	6,089,127
Investment earnings	935	1,405	9,676	24,275	41,880	33,405	12,341	15,985	131,537	230,897
Miscellaneous income	40,939	7,775	58,168	44,348	9,060	15,493	20,372	27,225	44,875	22,982
Special item:										
Transfer in (out)	-	-	-	-	-	(7,800)	-	-	(1,384)	-
Total governmental activities	<u>22,548,605</u>	<u>23,597,211</u>	<u>25,325,128</u>	<u>26,735,920</u>	<u>25,990,736</u>	<u>25,148,432</u>	<u>26,864,675</u>	<u>25,231,927</u>	<u>23,210,933</u>	<u>22,645,194</u>
Business-type activities										
Miscellaneous	-	-	-	-	-	-	-	-	-	940
Investment earnings	-	161	273	986	227	1,443	8	-	-	-
Transfer in (out)	-	-	-	-	-	7,800	-	-	1,384	-
Total business-type activities	<u>-</u>	<u>161</u>	<u>273</u>	<u>986</u>	<u>227</u>	<u>9,243</u>	<u>8</u>	<u>-</u>	<u>1,384</u>	<u>940</u>
Total district-wide	<u>\$ 22,548,605</u>	<u>\$ 23,597,372</u>	<u>\$ 25,325,401</u>	<u>\$ 26,736,906</u>	<u>\$ 25,990,963</u>	<u>\$ 25,157,675</u>	<u>\$ 26,864,683</u>	<u>\$ 25,231,927</u>	<u>\$ 23,212,317</u>	<u>\$ 22,646,134</u>
Change in net position										
Governmental activities	\$ 80,243	\$ 60,417	\$ 1,033,044	\$ 902,702	\$ 1,195,653	\$ 1,489,245	\$ 2,364,594	\$ 2,401,872	\$ 2,454,375	\$ 1,194,656
Business-type activities	(18,841)	(9,133)	(16,736)	(15,631)	7,894	3,907	14,172	72,146	48,463	(77,936)
Total district	<u>\$ 61,402</u>	<u>\$ 51,284</u>	<u>\$ 1,016,308</u>	<u>\$ 887,071</u>	<u>\$ 1,203,547</u>	<u>\$ 1,493,152</u>	<u>\$ 2,378,766</u>	<u>\$ 2,474,018</u>	<u>\$ 2,502,838</u>	<u>\$ 1,116,720</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Restricted	\$ 475,865	\$ 337,046	\$ 835,157	\$ 1,081,394	\$ 1,146,402	\$ 2,155,843	\$ 3,143,184	\$ 4,034,766	\$ 5,809,648	\$ 6,555,547
Committed	11,125	8,185	129,429	339,170	328,848	243,899	39,515	523,699	102,767	177,488
Assigned	-	-	32,369	-	-	-	90,023	192,363	644,688	606,402
Unassigned	(295,902)	(243,610)	(143,246)	(114,964)	(44,552)	(19,690)	509,279	561,163	373,369	334,846
Total general fund	<u>\$ 191,088</u>	<u>\$ 101,621</u>	<u>\$ 853,709</u>	<u>\$ 1,305,600</u>	<u>\$ 1,430,698</u>	<u>\$ 2,380,052</u>	<u>\$ 3,782,001</u>	<u>\$ 5,311,991</u>	<u>\$ 6,930,472</u>	<u>\$ 7,674,283</u>
						*				
All other governmental funds										
Restricted, reported in										
Special revenue fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,717	\$ 29,104	\$ 29,915	\$ 21,278	\$ 18,896
Capital projects fund	2,763,970	78,711	73,927	-	-	-	-	-	-	-
Assigned, reported in										
Debt service fund	-	-	-	26,728	26,728	-	-	-	-	-
Unassigned, reported in										
Special revenue fund	-	-	-	-	-	-	-	-	-	(311,880)
Total all other governmental funds	<u>\$ 2,763,970</u>	<u>\$ 78,711</u>	<u>\$ 73,927</u>	<u>\$ 26,728</u>	<u>\$ 26,728</u>	<u>\$ 35,717</u>	<u>\$ 29,104</u>	<u>\$ 29,915</u>	<u>\$ 21,278</u>	<u>\$ (292,984)</u>
						*				

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 13,455,270	\$ 13,778,732	\$ 14,216,811	\$ 14,428,154	\$ 14,676,639	\$ 14,910,706	\$ 15,346,964	\$ 15,704,009	\$ 15,986,868	\$ 16,302,188
Tuition charges	-	1,795	146,840	210,636	288,101	210,652	106,288	80,800	79,523	33,973
Transportation charges	-	-	-	-	-	585	180	2,834	850	850
Miscellaneous	105,754	63,119	103,773	72,943	54,424	57,314	59,021	82,040	244,593	317,723
State sources	7,394,979	7,548,963	7,722,565	7,950,945	8,076,392	7,595,909	7,204,807	7,024,263	5,753,931	5,381,611
State sources - capital projects	-	-	-	368,176	-	-	-	-	-	-
Federal sources	294,790	327,732	307,490	310,613	302,259	298,276	379,408	517,951	1,377,971	485,767
Total revenues	21,250,793	21,720,341	22,497,479	23,341,467	23,397,815	23,073,442	23,096,668	23,411,897	23,443,736	22,522,112
Expenditures										
Instruction										
Regular instruction	4,277,595	4,144,829	4,049,697	3,695,614	3,622,804	3,505,734	3,245,539	3,142,203	3,236,394	3,085,220
Special education instruction	778,883	917,848	1,391,491	1,676,912	1,620,151	1,561,720	1,435,839	1,496,946	1,100,050	1,158,924
Other special instruction	228,042	353,422	259,194	336,533	301,300	256,982	232,779	242,112	164,780	134,528
Other instruction	19,603	22,808	27,103	50,373	59,001	48,649	42,732	86,652	63,864	56,471
Support services										
Tuition	6,908,970	6,638,390	5,811,449	5,995,361	5,831,755	5,580,738	5,524,464	5,417,495	4,928,126	5,492,255
Student & instruction related services										
General administration	1,208,427	1,259,426	1,276,851	1,511,578	1,529,507	1,409,583	1,283,685	1,411,320	1,474,084	1,291,397
School administration services	333,901	339,001	240,744	283,610	275,729	289,240	314,090	263,226	253,535	363,995
Central services	501,305	510,020	533,241	549,897	500,707	458,568	305,534	297,852	303,306	288,922
Administrative information technology	206,559	223,126	246,536	282,836	250,338	210,383	254,189	250,994	260,952	231,695
Plant operations and maintenance	7,861	9,698	8,540	13,639	14,626	19,940	22,293	23,853	-	-
Pupil transportation	1,133,241	1,160,555	1,288,100	1,377,948	1,381,808	1,289,128	1,183,235	1,163,743	1,397,919	1,370,608
Employee benefits	1,058,610	1,203,671	1,132,901	1,276,855	1,348,293	1,411,263	1,090,336	1,531,998	1,690,436	1,702,216
On-behalf TPAF Pension and Social Security contribution	2,348,499	2,436,076	2,568,137	2,610,552	2,592,872	2,586,759	2,560,425	2,141,459	2,117,187	2,129,961
Transfer to charter schools	1,217,888	1,379,896	1,507,813	1,760,106	2,028,328	2,058,729	2,361,853	2,854,509	2,577,936	2,718,699
Capital outlay	63,736	22,811	22,811	76,004	127,203	151,041	151,690	128,035	135,699	132,346
Capital projects	26,109	22,084	226,174	299,179	683,270	398,923	655,041	268,970	93,326	91,785
Special revenue funds	783,008	2,724,864	4,784	90,173	-	-	-	-	-	-
Debt service	304,284	330,790	314,302	319,491	305,743	306,692	392,630	570,668	1,476,053	1,313,948
Principal	530,000	574,728	642,083	695,657	659,321	510,000	505,000	505,000	495,000	527,135
Interest and other charges	243,823	221,024	198,224	124,630	139,961	124,661	104,261	84,061	63,861	44,061
Total expenditures	22,180,344	24,495,067	21,750,175	23,026,948	23,272,717	22,178,733	21,665,615	21,881,096	21,832,508	22,134,166

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds (continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Excess (deficiency) of revenues over (under) expenditures	\$ (929,551)	\$ (2,774,726)	\$ 747,304	\$ 314,519	\$ 125,098	\$ 894,709	\$ 1,431,053	\$ 1,530,801	\$ 1,611,228	\$ 387,946
Other financing sources (uses)										
Transfer in (out)	-	-	-	-	-	(7,800)	-	-	(1,384)	-
Proceeds from bond issue & refunding bond issue	-	-	-	3,600,000	-	-	-	-	-	-
Premium on bond issue	-	-	-	274,759	-	-	-	-	-	-
Payments to refunding bond escrow agent	-	-	-	(3,784,586)	-	-	-	-	-	-
Lease purchase proceeds	2,600,000	-	-	-	-	-	-	-	-	41,603
Total other financing sources (uses)	2,600,000	-	-	90,173	-	(7,800)	-	-	(1,384)	41,603
Net change in fund balances	<u>\$ 1,670,449</u>	<u>\$ (2,774,726)</u>	<u>\$ 747,304</u>	<u>\$ 404,692</u>	<u>\$ 125,098</u>	<u>\$ 886,909</u>	<u>\$ 1,431,053</u>	<u>\$ 1,530,801</u>	<u>\$ 1,609,844</u>	<u>\$ 429,549</u>
Debt service as a percentage of non-capital expenditures	3.76%	3.80%	4.06%	3.76%	3.67%	3.00%	2.99%	2.80%	2.64%	2.66%

Source: District Records

Notes: 1) Non-capital expenditures are total expenditures less capital outlay.
2) During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
General Fund - Other Local Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Interest income	\$ 844	\$ 1,405	\$ 9,676	\$ 24,275	\$ 41,880	\$ 33,405	\$ 12,341	\$ 15,985	\$ 131,537	\$ 230,897
Tuition	-	1,795	146,840	210,636	288,101	210,652	106,288	80,800	79,523	33,973
Transportation	-	-	-	-	-	585	180	2,834	850	850
Prior year refunds	12,316	2,510	3,030	8,476	1,644	12,105	19,728	24,638	43,112	21,693
Prior year payables canceled	2,641	-	-	-	-	-	-	-	-	-
Void prior year checks	6,623	-	9,249	-	-	-	-	-	-	-
Grants/Donations	7,971	-	300	-	3,704	-	-	-	-	-
Building use fees	53,995	50,673	29,000	15,068	-	-	-	2,225	-	-
E-Rate rebates	11,092	-	10,207	4,924	2,837	1,560	-	-	-	-
Book fines	291	208	97	60	88	137	-	-	-	-
ESIP Rebate	-	-	21,655	887	-	-	-	-	-	-
Prior year FEMA refunds	-	-	9,488	-	-	-	-	-	-	-
Miscellaneous	296	5,265	4,239	6,866	787	1,691	644	362	1,763	1,289
Annual totals	\$ 96,069	\$ 61,856	\$ 243,781	\$ 271,192	\$ 339,041	\$ 260,135	\$ 139,181	\$ 126,844	\$ 256,785	\$ 288,702

Source: District Records

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
All Constituent Districts
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vacant land	\$ 12,883,600	\$ 11,921,300	\$ 10,256,000	\$ 9,997,600	\$ 9,808,600	\$ 9,863,900	\$ 9,295,700	\$ 9,019,200	\$ 8,744,400	\$ 8,789,700
Residential	660,580,300	661,887,900	665,387,800	668,143,500	666,771,500	668,118,700	669,047,000	670,415,800	671,412,536	672,198,736
Farm regular	44,274,300	43,811,800	42,688,700	41,191,600	42,367,700	41,420,500	41,047,900	41,534,800	40,963,100	41,271,000
Q farm	2,594,900	2,611,500	2,568,500	2,617,400	2,666,900	2,719,900	2,697,600	2,707,300	2,702,700	2,681,100
Commercial	31,196,800	30,986,700	30,965,700	30,973,800	30,973,800	30,973,800	30,973,800	31,079,200	31,103,800	31,453,400
Industrial	2,722,300	2,722,300	2,722,300	2,722,300	2,722,300	2,722,300	2,722,300	2,722,300	2,722,300	2,722,300
Apartment	15,470,400	15,470,400	15,470,400	15,470,400	15,470,400	15,470,400	15,470,400	15,470,400	15,470,400	15,297,600
Total assessed value	769,722,600	769,411,900	770,059,400	771,116,600	770,781,200	771,289,500	771,254,700	772,949,000	773,119,236	774,413,836
Public utilities (a)	-	-	-	-	-	-	-	-	-	-
Net valuation taxable	\$ 769,722,600	\$ 769,411,900	\$ 770,059,400	\$ 771,116,600	\$ 770,781,200	\$ 771,289,500	\$ 771,254,700	\$ 772,949,000	\$ 773,119,236	\$ 774,413,836
Estimated actual county equalized value	\$ 815,789,959	\$ 835,486,916	\$ 847,314,185	\$ 872,415,145	\$ 879,522,154	\$ 886,753,820	\$ 885,584,675	\$ 938,455,023	\$ 1,037,276,999	\$ 1,135,058,544
Percentage of net valuation to estimated actual equalized value	94.35%	92.09%	90.88%	88.39%	87.64%	86.98%	87.09%	82.36%	74.53%	68.23%
Regional school tax rate by constituent district (b)										
Independence Township	\$ 1.785	\$ 1.818	\$ 1.897	\$ 1.888	\$ 1.938	\$ 1.965	\$ 2.061	\$ 2.071	\$ 2.117	\$ 2.160
Liberty Township	\$ 1.802	\$ 1.905	\$ 1.831	\$ 1.927	\$ 1.937	\$ 2.038	\$ 1.991	\$ 2.064	\$ 2.095	\$ 2.118

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.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
Township of Independence
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vacant land	\$ 7,086,400	\$ 6,480,400	\$ 6,182,900	\$ 5,846,500	\$ 5,817,800	\$ 5,797,600	\$ 5,270,100	\$ 5,270,100	\$ 5,067,000	\$ 5,017,800
Residential	428,317,600	428,718,500	432,070,000	433,039,200	433,080,200	434,099,600	435,053,700	436,515,500	437,408,300	438,020,200
Farm regular	20,818,200	20,930,400	20,007,000	19,739,000	19,683,900	19,121,500	18,936,600	18,921,300	18,673,600	18,966,400
Q farm	1,934,500	1,949,200	1,905,100	1,905,100	1,905,500	1,964,700	1,908,800	1,910,500	1,906,300	1,895,400
Commercial	24,807,600	24,597,500	24,696,900	24,705,000	24,705,000	24,626,000	24,626,000	24,731,400	24,756,000	25,105,600
Industrial	2,413,500	2,413,500	2,413,500	2,413,500	2,413,500	2,413,500	2,413,500	2,413,500	2,413,500	2,413,500
Apartment	15,161,600	15,161,600	15,161,600	15,161,600	15,161,600	15,161,600	15,161,600	15,161,600	15,161,600	14,988,800
Total assessed value	500,539,400	500,251,100	502,437,000	502,809,900	502,767,500	503,184,500	503,370,300	504,923,900	505,386,300	506,407,700
Public utilities (a)	-	-	-	-	-	-	-	-	-	-
Net valuation taxable	<u>\$ 500,539,400</u>	<u>\$ 500,251,100</u>	<u>\$ 502,437,000</u>	<u>\$ 502,809,900</u>	<u>\$ 502,767,500</u>	<u>\$ 503,184,500</u>	<u>\$ 503,370,300</u>	<u>\$ 504,923,900</u>	<u>\$ 505,386,300</u>	<u>\$ 506,407,700</u>
Estimated actual county equalized value	<u>\$ 558,887,226</u>	<u>\$ 561,260,070</u>	<u>\$ 573,427,300</u>	<u>\$ 593,076,079</u>	<u>\$ 593,726,382</u>	<u>\$ 590,453,532</u>	<u>\$ 588,806,059</u>	<u>\$ 621,368,324</u>	<u>\$ 694,689,072</u>	<u>\$ 746,266,953</u>
Percentage of net valuation to estimated actual equalized value	<u>89.56%</u>	<u>89.13%</u>	<u>87.62%</u>	<u>84.78%</u>	<u>84.68%</u>	<u>85.22%</u>	<u>85.49%</u>	<u>81.26%</u>	<u>72.75%</u>	<u>67.86%</u>
Total direct school tax rate (b)	<u>\$ 1.785</u>	<u>\$ 1.818</u>	<u>\$ 1.897</u>	<u>\$ 1.888</u>	<u>\$ 1.938</u>	<u>\$ 1.965</u>	<u>\$ 2.061</u>	<u>\$ 2.071</u>	<u>\$ 2.117</u>	<u>\$ 2.160</u>

*

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.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
Township of Liberty
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vacant land	\$ 5,797,200	\$ 5,440,900	\$ 4,073,100	\$ 4,151,100	\$ 3,990,800	\$ 4,066,300	\$ 4,025,600	\$ 3,749,100	\$ 3,677,400	\$ 3,771,900
Residential	232,262,700	233,169,400	233,317,800	235,104,300	233,691,300	234,019,100	233,993,300	233,900,300	234,004,236	234,178,536
Farm regular	23,456,100	22,881,400	22,681,700	21,452,600	22,683,800	22,299,000	22,111,300	22,613,500	22,289,500	22,304,600
Q farm	660,400	662,300	663,400	712,300	761,400	755,200	788,800	796,800	796,400	785,700
Commercial	6,389,200	6,389,200	6,268,800	6,268,800	6,268,800	6,347,800	6,347,800	6,347,800	6,347,800	6,347,800
Industrial	-	-	-	-	-	-	-	-	-	-
Apartment	308,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800
Total assessed value	268,874,400	268,852,000	267,313,600	267,997,900	267,704,900	267,796,200	267,575,600	267,716,300	267,424,136	267,697,336
Public utilities (a)	-	-	-	-	-	-	-	-	-	-
Net valuation taxable	\$ 268,874,400	\$ 268,852,000	\$ 267,313,600	\$ 267,997,900	\$ 267,704,900	\$ 267,796,200	\$ 267,575,600	\$ 267,716,300	\$ 267,424,136	\$ 267,697,336
Estimated actual county equalized value	\$256,902,733	\$274,226,846	\$273,886,885	\$279,339,066	\$285,795,772	\$296,300,288	\$296,778,616	\$317,086,699	\$342,587,927	\$ 388,791,591
Percentage of net valuation to estimated actual equalized value	104.66%	98.04%	97.60%	95.94%	93.67%	90.38%	90.16%	84.43%	78.06%	68.85%
Total direct school tax rate (b)	\$ 1.802	\$ 1.905	\$ 1.831	\$ 1.927	\$ 1.937	\$ 2.038	\$ 1.991	\$ 2.064	\$ 2.095	\$ 2.118

Source: Municipal Tax Assessor

Notes: 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.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates by Constituent District
Township of Independence
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate				Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7)		Municipality	County	
			Total Direct School Tax Rate				
2015	* \$ 1.715	\$ 0.070	\$ 1.785	\$ 0.513	\$ 0.870	\$ 3.168	
2016	1.748	0.070	1.818	0.537	0.860	3.215	
2017	1.827	0.070	1.897	0.554	0.873	3.324	
2018	1.818	0.070	1.888	0.562	0.865	3.315	
2019	1.874	0.064	1.938	0.573	0.849	3.360	
2020	1.906	0.059	1.965	0.579	0.828	3.372	
2021	2.000	0.061	2.061	0.584	0.821	3.466	
2022	2.013	0.058	2.071	0.594	0.840	3.505	
2023	2.062	0.055	2.117	0.605	0.871	3.593	
2024	2.105	0.055	2.160	0.616	0.898	3.674	

Sources: Municipal Tax Collector

Notes: 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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget 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.

* Revalued/Reassessed

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates by Constituent District (continued)
Township of Liberty
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate			Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7) Total Direct School Tax Rate	Municipality	County	
2015	\$ 1.732	\$ 0.070	\$ 1.802	\$ 0.334	\$ 0.745	\$ 2.881
2016	1.835	0.070	1.905	0.333	0.781	3.019
2017	1.761	0.070	1.831	0.338	0.784	2.953
2018	1.857	0.070	1.927	0.337	0.764	3.028
2019	1.875	0.062	1.937	0.347	0.767	3.051
2020	1.977	0.061	2.038	0.350	0.780	3.168
2021	1.932	0.059	1.991	0.356	0.777	3.124
2022	2.007	0.057	2.064	0.366	0.808	3.238
2023	2.041	0.054	2.095	0.385	0.812	3.292
2024	2.064	0.054	2.118	0.397	0.886	3.401

Sources: Municipal Tax Collector

Notes: 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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget 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.

See independent auditors' report.

**GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Principal Property Taxpayers by Constituent District
Township of Independence
Current Year and Nine Years Prior**

	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Towpath Associates LLC	\$ 12,542,900	1	2.48%	\$ 12,542,900	1	2.51%
Extra Space Properties Eighty LLC	4,664,000	2	0.92%	4,664,000	2	0.93%
Axar Properties LLC	3,854,800	3	0.76%	3,854,800	3	0.77%
Kamping LLC	1,688,000	4	0.33%	-		0.00%
NUJA Realty Corp	1,396,600	5	0.28%	1,396,600	6	0.28%
Individual property owner #1	1,292,500	6	0.26%	1,284,500	7	0.26%
Individual property owner #2	951,900	7	0.19%	1,280,500	8	0.26%
SMM Independence LLC	937,500	8	0.19%	-		0.00%
First Hope Bank	884,600	9	0.17%	-		0.00%
Individual property owner #3	799,400	10	0.16%	1,215,100	9	0.24%
Liberty House Apartments, LLC	-		0.00%	2,603,000	4	0.52%
Saloga LP	-		0.00%	1,688,000	5	0.34%
Great Northern Buck Hill LLC	-		0.00%	1,029,100	10	0.21%
	<u>\$ 29,012,200</u>		<u>5.74%</u>	<u>\$ 31,558,500</u>		<u>6.32%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Principal Property Taxpayers by Constituent District (continued)
Township of Liberty
Current Year and Nine Years Prior

	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
BJBB Realty LLC	\$ 1,349,100	1	0.50%	\$ -		0.00%
Topp Orange LLC	1,031,100	2	0.39%	1,032,200	4	0.38%
John E. Rogers Inc.	801,600	3	0.30%	815,100	5	0.30%
Individual property owner	650,800	4	0.24%	1,436,500	1	0.53%
Individual property owner	553,600	5	0.21%	1,148,100	3	0.43%
Individual property owner	550,800	6	0.21%	711,500	6	0.26%
Individual property owner	540,000	7	0.20%	652,600	8	0.24%
Individual property owner	537,800	8	0.20%	650,600	9	0.24%
Individual property owner	525,300	9	0.20%	641,400	10	0.24%
Individual property owner	499,300	10	0.19%	-		0.00%
Wooded Valley Estate LLC	-		0.00%	1,187,200	2	0.44%
Federal National Mortgage Association	-		0.00%	662,100	7	0.25%
	<u>\$ 7,039,400</u>		<u>2.64%</u>	<u>\$ 8,937,300</u>		<u>3.31%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years

Year Ended June 30,	Taxes Levied for the Year		Collected within the Year of the Levy (a)	
	Township of Independence	Township of Liberty	Amount	Percentage of Levy
2015	\$ 8,520,575	\$ 4,934,695	\$ 13,455,270	100.00%
2016	8,932,297	4,846,435	13,778,732	100.00%
2017	9,095,701	5,121,110	14,216,811	100.00%
2018	9,533,608	4,894,546	14,428,154	100.00%
2019	9,505,968	5,170,671	14,676,639	100.00%
2020	9,730,712	5,179,994	14,910,706	100.00%
2021	9,889,180	5,457,784	15,346,964	100.00%
2022	10,378,004	5,326,005	15,704,009	100.00%
2023	10,460,328	5,526,540	15,986,868	100.00%
2024	10,698,858	5,603,330	16,302,188	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.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Bond Anticipation Notes (BANs)	Business-Type Activities Leases	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Leases					
2015	\$ 5,215,000	\$ -	\$ 3,131,789	\$ -	\$ -	\$ 8,346,789	2.03%	\$ 994
2016	4,735,000	-	2,931,208	-	-	7,666,208	1.81%	916
2017	4,235,000	-	2,592,654	-	-	6,827,654	1.60%	822
2018	3,570,000	-	2,249,058	-	-	5,819,058	1.32%	703
2019	3,060,000	-	1,951,803	-	-	5,011,803	1.10%	607
2020	2,550,000	-	1,795,559	-	-	4,345,559	0.93%	528
2021	2,045,000	-	1,666,083	-	-	3,711,083	0.75%	451
2022	1,540,000	-	1,527,994	-	-	3,067,994	0.60%	376
2023	1,045,000	-	1,380,906	-	-	2,425,906	0.47%	296
2024	525,000	-	1,224,422	-	-	1,749,422	N/A	213

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

- (a) See Exhibit J-15 for personal income and population data.
These ratios are calculated using personal income and population for the prior calendar year.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	\$ 5,215,000	\$ -	\$ 5,215,000	0.68%	\$ 621
2016	4,735,000	-	4,735,000	0.62%	566
2017	4,235,000	-	4,235,000	0.55%	510
2018	3,570,000	-	3,570,000	0.46%	431
2019	3,060,000	-	3,060,000	0.40%	370
2020	2,550,000	-	2,550,000	0.33%	310
2021	2,045,000	-	2,045,000	0.27%	249
2022	1,540,000	-	1,540,000	0.20%	189
2023	1,045,000	-	1,045,000	0.14%	127
2024	525,000	-	525,000	0.07%	64

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

- (a) See Exhibit J-7 for property tax data.
- (b) Population data can be found in Exhibit J-15.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2023

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Debt</u>
Debt repaid with property taxes			
Municipality			
Township of Independence	\$ -	100%	\$ -
Township of Liberty	-	100%	-
County general obligation debt	10,570,000	8%	<u>824,460</u>
Subtotal, overlapping debt			824,460
School district direct debt	1,045,000	100%	<u>1,045,000</u>
Total direct and overlapping debt			<u><u>\$ 1,869,460</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each Governmental Unit.

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

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized Valuation Basis
	2023 \$ 1,131,561,113
	2022 1,037,015,680
	2021 936,376,488
	\$ 3,104,953,281
Average equalized valuation of taxable property	\$ 1,034,984,427
Debt limit (3.0% of average equalization value)	\$ 31,049,533
Total net debt applicable to limit	525,000
Legal debt margin	\$ 30,524,533

	Fiscal Year				
	2020	2021	2022	2023	2024
Debt limit	\$ 26,373,105	\$ 26,516,605	\$ 27,081,520	\$ 28,590,042	\$ 31,049,533
Total net debt applicable	2,550,000	2,045,000	1,540,000	1,045,000	525,000
Legal debt margin	\$ 23,823,105	\$ 24,471,605	\$ 25,541,520	\$ 27,545,042	\$ 30,524,533
Total net debt applicable to the limit as a percentage of debt limit	9.67%	7.71%	5.69%	3.66%	1.69%

	Fiscal Year				
	2015	2016	2017	2018	2019
Debt limit	\$ 25,420,239	\$ 24,870,352	\$ 24,985,874	\$ 25,534,909	\$ 25,975,427
Total net debt applicable	5,215,000	4,735,000	4,235,000	3,570,000	3,060,000
Legal debt margin	\$ 20,205,239	\$ 20,135,352	\$ 20,750,874	\$ 21,964,909	\$ 22,915,427
Total net debt applicable to the limit as a percentage of debt limit	20.52%	19.04%	16.95%	13.98%	11.78%

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.

See independent auditors' report.

**GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Township of Independence Population (a)	Township of Liberty Population (a)	Township of Independence Personal Income (b)	Township of Liberty Personal Income (b)	Per Capita Personal Income (c)	Township of Independence Unemployment Rate (d)	Township of Liberty Unemployment Rate (d)
2015	5,530	2,867	\$ 270,345,110	\$ 140,159,029	\$ 48,887	5.1%	5.7%
2016	5,513	2,855	279,735,133	144,865,555	50,741	4.0%	4.3%
2017	5,470	2,836	281,721,410	146,062,508	51,503	3.6%	4.2%
2018	5,452	2,823	289,768,348	150,039,627	53,149	3.2%	3.8%
2019	5,440	2,821	299,053,120	155,078,833	54,973	2.9%	3.1%
2020	5,421	2,813	308,758,476	160,217,228	56,956	7.8%	8.1%
2021	5,413	2,812	327,621,825	170,196,300	60,525	5.6%	4.6%
2022	5,481	2,680	345,527,721	168,949,880	63,041	3.2%	3.5%
2023	5,509	2,693	346,631,789	169,446,253	62,921	4.1%	3.9%
2024	5,519	2,688	N/A	N/A	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the Municipal population and per capita personal income presented.
- (c) Per capita personal income by county estimated based upon the 2020 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information is not available

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

2024

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2015

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Full Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Function/program										
Instruction										
Regular	65.6	65.6	65.6	65.6	64.0	45.0	43.0	38.0	42.0	40.0
Special education	14.6	14.6	14.6	15.6	18.0	41.0	39.4	39.6	37.0	39.0
Support services										
Student and instruction related services	23.0	23.0	23.0	23.0	27.0	19.3	17.0	15.2	16.0	16.0
General administration	2.0	2.0	2.0	2.0	1.0	1.0	1.7	1.5	1.5	2.0
School administration services	7.0	7.0	7.0	7.0	6.7	6.7	4.7	5.5	5.5	5.0
Other administration services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Central services	3.0	3.0	3.0	3.0	3.0	2.6	2.7	2.5	2.5	2.5
Plant operations and maintenance	11.0	11.0	11.0	11.0	11.4	11.3	9.6	7.0	7.0	7.0
Total	<u>127.2</u>	<u>127.2</u>	<u>127.2</u>	<u>128.2</u>	<u>132.1</u>	<u>127.9</u>	<u>119.1</u>	<u>110.3</u>	<u>112.5</u>	<u>112.5</u>

Source: District Personnel Records

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	June 30 Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	760	\$ 20,597,404	\$ 27,102	11.87%	85	1 to 9	754.9	723.8	-6.00%	95.88%
2016	714	20,952,367	29,345	8.28%	85	1 to 8	711.0	683.4	-5.82%	96.12%
2017	714	20,678,910	28,962	-1.31%	85	1 to 8	713.8	685.3	0.39%	96.01%
2018	690	21,817,309	31,619	9.17%	86	1 to 8	692.3	659.6	-3.01%	95.28%
2019	660	21,790,165	33,015	4.42%	82	1 to 8	651.5	615.7	-5.89%	94.50%
2020	638	21,145,149	33,143	0.39%	67	1 to 10	631.8	603.8	-3.02%	95.57%
2021	616	20,401,313	33,119	-0.07%	65	1 to 9	612.8	589.5	-3.01%	96.20%
2022	634	21,023,065	33,159	0.12%	57	1 to 11	655.5	614.8	6.97%	93.79%
2023	647	21,180,321	32,736	-1.28%	63	1 to 10	641.8	599.4	-2.09%	93.39%
2024	663	21,471,185	32,385	-1.07%	65	1 to 10	648.1	605.3	0.98%	93.40%

Source: District Records

- (a) Operating expenditures equal total expenditures less debt service and capital outlay.
(b) Teaching staff includes only full-time equivalents or certificated staff.
(c) Average Daily Enrollment and Average Daily Attendance are obtained from the School Register Summary.

See independent auditors' report.

**GREAT MEADOWS REGIONAL SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years**

District Building	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Elementary										
<u>Liberty School (1972)</u>										
Square feet	44,769	44,769	44,769	44,769	44,769	44,769	44,769	44,769	44,769	44,769
Capacity (students)	296	296	296	296	296	296	296	296	296	296
Enrollment	262	240	219	225	197	-	-	-	-	-
<u>Central School (1918)</u>										
Square feet	36,559	36,559	36,559	36,559	36,559	36,559	36,559	36,559	36,559	36,559
Capacity (students)	438	438	438	438	438	438	438	438	438	438
Enrollment	200	199	221	205	218	287	282	298	300	317
Middle										
<u>Great Meadows Middle School (1998)</u>										
Square feet	64,488	64,488	64,488	64,488	64,488	64,488	64,488	64,488	64,488	64,488
Capacity (students)	564	564	564	564	564	564	564	564	564	564
Enrollment	297	279	269	260	245	345	337	336	347	346
<u>Number of schools at June 30, 2024</u>										
Elementary	2									
Middle	1									

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increase in square footage and capacity are the result of renovations and additions.

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance for School Facilities

Fiscal Year Ended	School Facilities*			Total
	Liberty Township School	Independence Central School	Great Meadows Middle School	
2015	\$ 48,322	\$ 70,541	\$ 68,444	\$ 187,307
2016	53,500	47,292	65,675	166,467
2017	64,943	52,784	94,075	211,802
2018	69,175	79,334	98,483	246,992
2019	81,549	105,186	68,414	255,149
2020	30,340	133,508	115,264	279,112
2021	30,300	207,103	80,188	317,591
2022	45,043	70,581	193,088	308,712
2023	32,612	176,270	337,156	546,038
2024	53,141	181,764	191,666	426,571
Total school facilities	<u>\$ 508,925</u>	<u>\$ 1,124,363</u>	<u>\$ 1,312,453</u>	<u>\$ 2,945,741</u>

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

Source: District Records

GREAT MEADOWS REGIONAL SCHOOL DISTRICT**Insurance Schedule****June 30, 2024****(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
Commercial Package Policy - New Jersey Schools Insurance Group (NJSIG)		
Real & personal property (per occurrence)	\$ 500,000,000	\$ 5,000
Blanket extra expense	50,000,000	5,000
Blanket valuable paper & records	10,000,000	5,000
Demolition & increased cost of construction	25,000,000	-
Limited builders risk	10,000,000	-
Fire Dept. service charge	10,000	-
Arson reward	10,000	-
Pollution cleanup & removal	250,000	-
Flood/earthquake:		
Flood zone A & V	25,000,000	500,000
All other flood zones	75,000,000	10,000
Earthquake	50,000,000	5,000
Terrorism	1,000,000	-
Electronic data processing:		
Blanket hardware/software, extra expense, business income,		
Transit, debris removal	500,000	1,000
Flood (deductible for zone A & Z)	-	500,000
(Deductible all other flood zones)	-	10,000
Equipment breakdown		
Combined single limit/accident for property damage & business income	100,000,000	5,000
Property damage	Included	
Off premises property damage	1,000,000	5,000
Extra expense	10,000,000	5,000
Service interruption	10,000,000	5,000
Perishable goods	1,000,000	5,000
Data restoration	1,000,000	5,000
Demolition	1,000,000	5,000
Ordinance or law	1,000,000	5,000
Expediting expense	1,000,000	5,000
Hazardous substances	1,000,000	5,000
Newly acquired locations - 120 days notice	1,000,000	5,000
Crime coverage:		
Public employee dishonesty	100,000	500
Theft, disapp. & destruction/money orders & counterfeit currency	50,000	500
Forgery or alteration	50,000	500
Computer fraud	50,000	-

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Insurance Schedule (continued)
June 30, 2024
(Unaudited)

	Coverage	Deductible
Public Officials Bond		
Business administrator - A Kinney (Selective)	\$ 210,000	\$ -
Treasurer - P Hatch (Selective Ins Co)	210,000	-
General liability:		
Bodily injury & property damage	11,000,000	-
Products & completed operations	11,000,000	-
Sexual abuse	11,000,000	-
Personal injury & advertising injury	11,000,000	-
Employee benefits liability	11,000,000	1,000
Premises medical payments	\$10,000 per accident	-
	\$5,000 per person	-
Terrorism	1,000,000	-
Automotive coverage:		
Combined single limit for bodily injury & property damage	11,000,000	1,000
Personal injury protection	250,000	1,000
Medical payments	10,000	1,000
Underinsured	1,000,000	1,000
Terrorism	1,000,000	1,000
Garagekeepers	Included	
School leaders errors & omissions		
Coverage A - protection againsts "loss"/wrongful acts	11,000,000	5,000
Coverage B - defense costs for specific administrative actions	\$100,000/claim	5,000
	\$300,000/agg	5,000
Retro Date	31,594	-
Workers' compensation		
Part one	Statutory	
Part two		
Bodily injury by accident	2,000,000	-
Bodily injury by disease	2,000,000	-
Student/athletic volunteer accident:		
All school - US Fire Ins Co	25,000	-
Excess coverage - medical expense benefits - AIG	7,500,000	25,000
Volunteer workers	25,000	1,000

See independent auditors' report.

SINGLE AUDIT SECTION

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**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART I**



Certified Public Accountants, PC
www.bkc-cpa.com

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

Honorable President and
Members of the Board of Education
Great Meadows Regional School District
Great Meadows, New Jersey

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, and the aggregate remaining fund information of the Great Meadows Regional School District (the District) in the County of Warren, as of and for the year ended June 30, 2024, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements, and have issued our report thereon dated December 20, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001.

Great Meadows Regional School District’s Responses to Findings

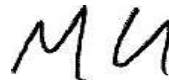
Government Auditing Standards requires the auditor to perform limited procedures on Great Meadows Regional School District’s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity’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 in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

December 20, 2024
Flemington, New Jersey



Certified Public Accountants, PC
www.bkc-cpa.com

**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance
and the New Jersey OMB Circular 15-08**

Honorable President and
Members of the Board of Education
Great Meadows Regional School District
Great Meadows, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

In our opinion, the District complied, in all material respects, with the 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, 2024.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the New Jersey OMB's Circulars 15-08 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001. Our opinion on each major state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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 state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
PSA NO. 20CS00265600

December 20, 2024
Flemington, New Jersey

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SUPPLEMENTARY INFORMATION

**GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2024**

Grantor/Program Title	Federal AL Number	FAIN Number	Program or Award Amount	Grant Period		Balance 06/30/23	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balance	Balance June 30, 2024		
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Health and Human Services passed through State Department of Education General Fund														
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	\$ 380	7/1/2023	06/30/24	\$ -	\$ -	\$ 380	\$ 380	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Fund						-	-	380	380	-	-	-	-	-
U.S. Department of Education passed through State Department of Education Special Revenue Fund														
Special education cluster (IDEA)														
IDEA Basic	84.027	H027A230100	234,975	07/01/22	06/30/23	(62,024)	-	62,024	-	-	-	-	-	-
IDEA Basic	84.027	H027A240100	217,994	07/01/23	06/30/24	-	-	175,704	212,139	-	-	(36,435)	-	-
IDEA Preschool	84.173A	H173A220114	6,229	07/01/21	06/30/22	(2,059)	-	-	-	2,059	-	-	-	-
IDEA Preschool	84.173A	H173A230114	8,843	07/01/22	06/30/23	(707)	-	2,847	81	(2,059)	-	-	-	-
IDEA Preschool	84.173A	H173A240114	5,853	07/01/23	06/30/24	-	-	72	4,834	-	-	(4,762)	-	-
Total special education cluster (IDEA)						(64,790)	-	240,647	217,054	-	-	(41,197)	-	-
ESSA Title I A	84.010	S010A230030	164,038	07/01/22	06/30/23	(42,934)	-	59,761	16,827	-	-	-	-	-
ESSA Title I A	84.010	S010A240030	135,559	07/01/23	06/30/24	-	-	80,790	74,094	-	-	-	6,696	-
ESSA Title II A	84.367A	S367A220029	33,918	07/01/21	06/30/22	(4,726)	-	-	-	4,726	-	-	-	-
ESSA Title II A	84.367A	S367A230029	42,736	07/01/22	06/30/23	4,147	-	9,550	8,971	(4,726)	-	-	-	-
ESSA Title II A	84.367A	S367A240029	42,214	07/01/23	06/30/24	-	-	1,508	33,894	-	-	(32,386)	-	-
ESSA Title IV A	84.424A	S424A230031	13,894	07/01/22	06/30/23	-	-	3,059	3,059	-	-	-	-	-
ESSA Title IV A	84.424A	S424A240031	10,395	07/01/23	06/30/24	-	-	8,893	5,892	-	-	-	3,001	-
COVID-19														
CRRSA - ESSER II	84.425D	S425D210027	234,475	03/13/20	09/30/23	(40,893)	-	40,995	102	-	-	-	-	-
CRRSA - Learning Acceleration	84.425D	S425D210027	25,000	03/13/20	09/30/23	-	-	4,699	4,699	-	-	-	-	-
CRRSA - Mental Health	84.425D	S425D210027	45,000	03/13/20	09/30/23	(2,905)	-	13,439	10,534	-	-	-	-	-
ARP - ESSER														
ARP - ESSER	84.425U	S425U210027	526,968	03/13/20	09/30/24	(83,325)	-	12,106	46,169	-	-	(117,388)	-	-
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	75,336	03/13/20	09/30/24	-	-	16,584	52,036	-	-	(35,452)	-	-
Evidenced Based Summer Learning and Enrichment	84.425U	S425U210027	40,000	03/13/20	09/30/24	(138)	-	6,514	-	-	-	-	6,376	-
Evidenced Based Beyond the School Day	84.425U	S425U210027	40,000	03/13/20	09/30/24	(21)	-	8,963	19,624	-	-	(10,682)	-	-
NJTSS Mental Health	84.425U	S425U210027	45,000	03/13/20	09/30/24	-	-	15,266	37,243	-	-	(21,977)	-	-
ARP IDEA Basic	84.027X	H027X210100	28,043	07/01/21	09/30/22	(1,127)	-	1,410	283	-	-	-	-	-
ARP IDEA Preschool	84.173X	H173X210114	2,390	07/01/21	09/30/22	(504)	-	899	395	-	-	-	-	-
Coronavirus Relief Fund	84.425	S425D200027	36,150	07/01/20	06/30/21	90	-	-	90	-	-	-	-	-
ACSERS	21.027	SFLRDOE1SES	259,679	07/01/22	06/30/23	(129,839)	-	129,839	-	-	-	-	-	-
Total Special Revenue Fund						(366,965)	-	654,922	530,966	-	-	(259,082)	16,073	-

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A (continued)
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Federal AL Number	FAIN Number	Program or Award Amount	Grant Period		Balance 06/30/23	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balance	Balance June 30, 2024		
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Agriculture passed through State Department of Agriculture Enterprise Fund														
Child Nutrition Cluster														
National School Lunch Program														
Non-Cash Assistance (Commodities)	10.555	231NJ304N1099	\$ 20,806	07/01/22	06/30/23	\$ 2,641	\$ -	\$ -	\$ 2,641	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Cash Assistance (Commodities)	10.555	241NJ304N1099	16,771	07/01/23	06/30/24	-	-	16,771	15,519	-	-	-	1,252	-
Cash Assistance	10.555	231NJ304N1099	57,603	07/01/22	06/30/23	(2,678)	-	2,678	-	-	-	-	-	-
Cash Assistance	10.555	241NJ304N1099	51,117	07/01/23	06/30/24	-	-	42,419	51,117	-	-	(8,698)	-	-
Total Child Nutrition Cluster						(37)	-	61,868	69,277	-	-	(8,698)	1,252	-
P-EBT	10.555	241NJ304N1099	653	07/01/23	06/30/24	-	-	653	653	-	-	-	-	-
Supply Chain Assistance	10.555	241NJ304N1099	19,228	07/01/23	06/30/24	-	-	19,228	19,228	-	-	-	-	-
Total Enterprise Fund						(37)	-	81,749	89,158	-	-	(8,698)	1,252	-
Total Federal Awards						\$ (367,002)	\$ -	\$ 737,051	\$ 620,504	\$ -	\$ -	\$ (267,780)	\$ 17,325	\$ -

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2023		Cash Received	Budgetary Expenditure	Adjustments	Balance June 30, 2024			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
General Fund														
Transportation Aid	24-495-034-5120-014	\$ 147,093	07/01/23	06/30/24	\$ -	\$ -	\$ 132,401	\$ 147,093	\$ -	\$ -	\$ -	\$ -	\$ 14,692	\$ 147,093
Equalization Aid	24-495-034-5120-078	873,160	07/01/23	06/30/24	-	-	785,948	873,160	-	-	-	-	87,212	873,160
Special Education Aid	24-495-034-5120-089	763,471	07/01/23	06/30/24	-	-	687,215	763,471	-	-	-	-	76,256	763,471
Security Aid	24-495-034-5120-084	105,232	07/01/23	06/30/24	-	-	94,721	105,232	-	-	-	-	10,511	105,232
Stabilization Aid	24-495-034-5120-128	150,836	07/01/23	06/30/24	-	-	150,836	150,836	-	-	-	-	-	150,836
Extraordinary Special Education Costs Aid	23-495-034-5120-044	251,242	07/01/22	06/30/23	(251,242)	-	251,242	-	-	-	-	-	-	251,242
Extraordinary Special Education Costs Aid	24-495-034-5120-044	158,933	07/01/23	06/30/24	-	-	-	158,933	-	(158,933)	-	-	-	158,933
Non-Public Transportation Aid	23-495-034-5120-014	10,694	07/01/22	06/30/23	(10,694)	-	10,694	-	-	-	-	-	-	10,694
Non-Public Transportation Aid	24-495-034-5120-014	10,920	07/01/23	06/30/24	-	-	-	10,920	-	(10,920)	-	-	-	10,920
On-Behalf TPAF Pension Contribution - Post Retirement Medical	24-495-034-5094-001	507,732	07/01/23	06/30/24	-	-	507,732	507,732	-	-	-	-	-	507,732
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	24-495-034-5094-004	21,036	07/01/23	06/30/24	-	-	21,036	21,036	-	-	-	-	-	21,036
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	24-495-034-5094-002	1,844,506	07/01/23	06/30/24	-	-	1,844,506	1,844,506	-	-	-	-	-	1,844,506
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	24-495-034-5094-004	748	07/01/23	06/30/24	-	-	748	748	-	-	-	-	-	748
Reimbursed TPAF Social Security Contribution	23-495-034-5094-003	345,031	07/01/22	06/30/23	(32,584)	-	32,584	-	-	-	-	-	-	345,031
Reimbursed TPAF Social Security Contribution	24-495-034-5094-003	344,677	07/01/23	06/30/24	-	-	310,508	344,677	-	(34,169)	-	-	-	344,677
Total General Fund					(294,520)	-	4,830,171	4,928,344	-	(204,022)	-	-	188,671	5,535,311
State Department of Education														
Special Revenue Fund														
Preschool Expansion Aid	24-100-034-5120-519	935,644	07/01/23	06/30/24	-	-	623,764	787,571	-	-	148,073	-	311,880	787,571
Total Special Revenue Fund					-	-	623,764	787,571	-	-	148,073	-	311,880	787,571
Debt Service Fund														
Debt Service Aid - State Support	24-495-034-5120-017	143,531	07/01/23	06/30/24	-	-	143,531	143,531	-	-	-	-	-	143,531
State Department of Agriculture														
Enterprise Fund														
State School Lunch Program	23-100-010-3350-023	2,481	07/01/22	06/30/23	(113)	-	113	-	-	-	-	-	-	2,481
State School Lunch Program	24-100-010-3350-023	3,454	07/01/23	06/30/24	-	-	2,708	3,454	-	(746)	-	-	-	3,454
Total Enterprise Fund					(113)	-	2,821	3,454	-	(746)	-	-	-	5,935

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B (continued)
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2023			Budgetary Expenditure	Adjustments	Balance June 30, 2024			Memo		
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor	Cash Received			Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure	
Total State Financial Assistance					<u>\$ (294,633)</u>	<u>\$ -</u>	<u>\$ 5,600,287</u>	\$ 5,862,900	<u>\$ -</u>	<u>\$ (204,768)</u>	<u>\$148,073</u>	<u>\$ -</u>	<u>\$ 500,551</u>	<u>\$ 6,472,348</u>	
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund					24-495-034-5094-002	\$ 1,844,506	07/01/23	06/30/24							
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance					24-495-034-5094-004	21,036	07/01/23	06/30/24							
On-Behalf TPAF Pension Contribution - Postretirement Medical					24-495-034-5094-001	507,732	07/01/23	06/30/24							
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance					24-495-034-5094-004	748	07/01/23	06/30/24							
Total for State Financial Assistance - Major Program Determination														<u>\$ 3,488,878</u>	

See independent auditors' report.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2024

Note 1 - General

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 Great Meadows Regional School District. The District is defined in Note 1 (A) to the District's Basic Financial Statements. All federal awards and state financial assistance 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 Schedules of Expenditures of Federal Awards and State Financial Assistance.

Note 2 - Basis of accounting

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's financial statements.

Note 3 - Relationship of financial statements

The Basic Financial Statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules 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 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 \$44,362 for the general fund and (\$567,776) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2024

Note 3 - Relationship to basic financial statements (continued)

Financial assistance revenues are reported in the District's Basic Financial Statements on a GAAP basis as follows:

	Federal	State	Total
General fund	\$ 380	\$ 4,972,706	\$ 4,973,086
Special revenue fund	485,387	265,374	750,761
Debt service fund	-	143,531	143,531
Food service fund	89,158	3,454	92,612
Total awards and financial assistance	<u>\$ 574,925</u>	<u>\$ 5,385,065</u>	<u>\$ 5,959,990</u>

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 - Other

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2024. TPAF Social Security Contribution represents the amount reimbursed by the State for the employer's share of Social Security Contributions for TPAF members for the fiscal year ended June 30, 2024.

Note 6 - Indirect costs

The District has elected not to utilize the 10% de minimis indirect cost rate.

Note 7 - Adjustments on the Schedule of Federal Awards and State Financial Assistance

On Schedule A, an adjustment of \$2,059 was made to the IDEA Preschool grant to reclass receipts that were posted to the wrong year. The adjustment of \$4,726 for the Title IIA also represents expenditures that were charged to the wrong year.

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**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART II**

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued Unmodified

Internal Control Over Financial Reporting:

- 1. Were material weakness(es) identified? Yes No
- 2. Were significant deficiencies identified? Yes None reported

Noncompliance material to Basic
Financial Statements noted?

Yes No

Federal Awards

Not Applicable

Internal Control Over Major Programs:

- 1. Were material weakness(es) identified? Yes No
- 2. Were significant deficiencies identified? Yes None reported

What was the type of auditors' report issued on compliance for
major programs?

Not Applicable

Were any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200 Section .516(a)?

Yes No

Identification of Major Programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>Not Applicable</u>	<u>Not Applicable</u>	<u>Not Applicable</u>

What was the dollar threshold used to distinguish between Type
A and Type B programs?

Did the auditee qualify as a low-risk auditee?

Yes No

**GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024**

Section I - Summary of Auditors' Results (continued)

State Awards

What was the dollar threshold used to distinguish between Type A and Type B programs? \$750,000

Did the auditee qualify as a low-risk auditee? X Yes ___ No

Internal Control Over Major Programs:

1. Were material weakness(es) identified? ___ Yes X No

2. Were there significant deficiencies identified that are not considered to be material weaknesses? X Yes ___ None reported

What was the type of auditors' report issued on compliance for major programs? Unmodified

Were any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable? X Yes ___ No

Identification of Major Programs:

<u>State Grant/Project Numbers</u>	<u>Name of State Program</u>
	<i>State Aid Public Cluster:</i>
<u>24-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>24-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>24-495-034-5120-084</u>	<u>Security Aid</u>
<u>24-495-034-5120-128</u>	<u>Stabilization Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section II - Financial Statement Findings

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

Finding 2024-001

Criteria

Continuous efforts must be made to ensure that the records and processes for all recordkeeping be maintained and performed in a complete and accurate manner.

Condition

The District's records were not accurate in some instances.

Context

Recordkeeping was not maintained and performed in an accurate manner.

Cause

Unknown

Effect

Records were not accurate.

Recommendation

The District must make continuous efforts to ensure that the records and processes for all recordkeeping be maintained and performed in a complete and accurate manner.

Views of Responsible Officials and Planned Corrective Action (unaudited)

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

Federal Awards

There were no findings or questioned costs for the fiscal year ended June 30, 2024.

State Awards

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

Finding 2024-001

Criteria

Continuous efforts must be made to ensure that the records and processes for all recordkeeping be maintained and performed in a complete and accurate manner.

Condition

The District's records were not accurate in some instances.

Context

Recordkeeping was not maintained and performed in an accurate manner.

Cause

Unknown

Effect

Records were not accurate.

Recommendation

The District must make continuous efforts to ensure that the records and processes for all recordkeeping be maintained and performed in a complete and accurate manner.

Views of Responsible Officials and Planned Corrective Action (unaudited)

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**GREAT MEADOWS REGIONAL SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2024**

Status of Prior Year Findings

There were no prior year findings or questioned costs.

APPENDIX C

Form of Bond Counsel's Approving Legal Opinion

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90 Woodbridge Center Drive
Suite 900 Box 10
Woodbridge, NJ 07095-0958
732.636.8000

_____, 2025

The Board of Education of the
Great Meadows Regional School District
Great Meadows, New Jersey

Ladies and Gentlemen:

We have served as bond counsel in connection with the authorization, sale and issuance of \$8,059,000 aggregate principal amount of School Bonds, Series 2025 (the “Bonds”) of The Board of Education of the Great Meadows Regional School District in the County of Warren, New Jersey (the “Board” when referring to the governing body and the “School District” when referring to the territorial boundaries governed by the Board).

The Bonds are issued pursuant to: (i) Title 18A, Chapter 24 of the New Jersey Statutes, as amended and supplemented (the “Education Law”); (ii) a proposal adopted by the Board on December 19, 2024 (the “Proposal”) and approved by the affirmative vote of a majority of the legal voters present and voting at a special School District election held on March 11, 2025 and (iii) a resolution duly adopted by the Board on April 10, 2025 (the “Resolution”).

The Bonds are issued in fully registered book-entry only form, without coupons, initially registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York (“DTC”), an automated depository for securities and clearing house for securities transactions. Purchases of the Bonds will be made in book-entry only form in principal amounts of \$1,000 each or any integral multiple thereof with a minimum purchase of \$5,000 required, through book entries made on the books and records of DTC and its participants. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Board directly to Cede & Co., as nominee for DTC. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of DTC participants.

The Bonds are dated their date of delivery and shall bear interest from such date, which interest shall be payable commencing May 1, 2026 and semi-annually thereafter on the first day of May and November in each year until maturity or prior redemption, and shall mature on May 1 of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$444,000		2037	\$425,000	
2028	300,000		2038	440,000	
2029	310,000		2039	460,000	
2030	320,000		2040	475,000	
2031	335,000		2041	495,000	
2032	345,000		2042	515,000	
2033	360,000		2043	535,000	
2034	375,000		2044	555,000	
2035	390,000		2045	575,000	
2036	405,000				

The Bonds of this issue are subject to optional redemption prior to their stated maturities.

We have examined such matters of law, certified copies of the proceedings, including the bond referendum proceedings, and other documents and proofs relative to the issuance and sale of the Bonds as we have deemed necessary or appropriate for the purposes of the opinion rendered below. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion we have, when relevant facts were not independently established, relied upon the aforesaid instruments, certificates and documents.

We are of the opinion that: (i) such proceedings and proofs show lawful authority for the sale and issuance of the Bonds pursuant to the Education Law, the Proposal and the Resolution; (ii) the Bonds are valid and legally binding obligations of the Board; and (iii) all the taxable real property within the School District is subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, for the payment of principal of and interest on the Bonds.

The Internal Revenue Code of 1986, as amended (the "Code"), sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for the interest thereon to be and remain excludable from gross income for federal income tax purposes. Noncompliance with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of the issuance of the Bonds. The Board has covenanted to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In our opinion, under existing law, and assuming continuing compliance by the Board with the aforementioned covenant, under existing statutes, regulations, rulings and court

decisions, interest on the Bonds is not includable for federal income tax purposes in the gross income of the owners of the Bonds pursuant to Section 103 of the Code. The Bonds are not “specified private activity bonds” within the meaning of Section 57 of the Code and, therefore, the interest on the Bonds will not be treated as a preference item for purposes of computing the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

We are further of the opinion that the Bonds constitute “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code and, therefore, will be treated as if it was acquired on August 7, 1986 for purposes of the limitations on deductibility by financial institutions of interest expense allocable to tax-exempt interest.

We are also of the opinion that, under existing laws of the State of New Jersey, interest on the Bonds and any gain on the sale thereof is not includable in gross income under the New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended and supplemented.

[The Bonds maturing on May 1 in the years 20__ through 20__, inclusive (the “[Premium] Bonds”), have been sold to the public at a premium. Section 171 of the Code provides rules under which a bond premium may be amortized and a deduction allowed for the amount of the amortizable bond premium for a taxable year. Under Section 171(a)(2) of the Code, however, no deduction is allowable for the amortizable bond premium in the case of bonds, like the [Premium] Bonds, the interest on which is excludable from gross income. Under Section 1016(a)(5) of the Code, the purchaser’s basis in a [Premium] Bond will be reduced by the amount of the amortizable bond premium disallowable as a deduction under Section 171(2) of the Code. Proceeds received from the sale, exchange, redemption or payment of a [Premium] Bond in excess of the owner’s adjusted basis (as reduced pursuant to Section 1016(a)(5) of the Code), will be treated as a gain from the sale or exchange of such [Premium] Bonds and not as interest.]

[We are also of the opinion that the difference between the stated principal amount of the Bonds maturing on May 1 in the years 20__ through 20__, inclusive (the “[Discount] Bonds”) and their respective initial offering prices to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers), at which price a substantial amount of the [Discount] Bonds of the same maturity and interest rate were sold, constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the [Discount] Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each [Discount] Bond and the basis of each [Discount] Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount.]

Except as stated in the preceding paragraphs, we express no opinion as to any federal, state or local tax consequences of the ownership or disposition of the Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other bond counsel.

This opinion is qualified to the extent that the enforceability of the rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights or remedies heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined one of the executed Bonds and, in our opinion, its form and execution are regular and proper.

Very truly yours,

WILENTZ, GOLDMAN & SPITZER, P.A.

APPENDIX D

Form of Continuing Disclosure Certificate

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated as of _____, 2025 (the “Disclosure Certificate”) is executed and delivered by The Board of Education of the Great Meadows Regional School District in the County of Warren, New Jersey (the “Board” when referring to the governing body and the “School District” when referring to the territorial boundaries governed by the Board) in connection with the issuance of its \$8,059,000 aggregate principal amount of School Bonds, Series 2025 dated their date of delivery (the “Bonds”). The Bonds are being issued by virtue of a proposal adopted by the Board on December 19, 2024 and approved by the affirmative vote of a majority of the legal voters present and voting at a special School District election held on March 11, 2025 and pursuant to a resolution entitled, “RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF \$8,059,000 AGGREGATE PRINCIPAL AMOUNT OF SCHOOL BONDS, SERIES 2025 OF THE BOARD OF EDUCATION OF THE GREAT MEADOWS REGIONAL SCHOOL DISTRICT IN THE COUNTY OF WARREN, NEW JERSEY, PROVIDING FOR THEIR SALE AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH”, duly adopted by the Board on April 10, 2025 (the “Bond Resolution”). The Board covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Board for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter(s) in complying with the Rule (as defined below). The Board acknowledges it is an “Obligated Person” under the Rule (as defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Bond Resolution which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Board pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bonds, as applicable (including persons holding Bonds, as applicable through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds, as applicable, for federal income tax purposes.

“*Continuing Disclosure Information*” shall mean, collectively, (i) each Annual Report, (ii) any notice required to be filed by the Board with the EMMA (as defined herein) pursuant to Section 3 of this Disclosure Agreement, and (iii) any notice of a Listed Event required to be filed by the Board with EMMA pursuant to Section 5 of this Disclosure Agreement.

“Disclosure Representative” shall mean the Business Administrator/Board Secretary of the Board or his/her designee, or such other person as the Board shall designate in writing from time to time for the purposes of this Disclosure Certificate.

“Dissemination Agent” shall mean, initially, the Board or any Dissemination Agent subsequently designated in writing by the Board which has filed with the Board a written acceptance of such designation.

“EMMA” shall mean the Electronic Municipal Market Access system, a website created by the MSRB (as defined herein) and approved by the SEC (as defined herein) to provide a central location where investors can obtain municipal bond information including disclosure documents. The Board or the Dissemination Agent shall submit disclosure documents to EMMA as a PDF file to www.emma.msrb.org.

“Financial Obligation” shall mean a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) listed hereinabove. The term *“Financial Obligation”* shall not include municipal securities as to which a final official statement has been provided to the MSRB (as defined below) consistent with the Rule (as defined below).

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“SEC Release No. 34-59062” shall mean Release No. 34-59062 of the SEC dated December 5, 2008.

“State” shall mean the State of New Jersey.

“Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the purchase of the Bonds.

SECTION 3. Provision of Annual Reports. (a) The Board shall provide or cause to be provided to the Dissemination Agent not later than December 31 of each year, commencing December 31, 2025 (for the fiscal year ending June 30, 2025), an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Board

may be submitted separately from the balance of the Annual Report; and provided, further, that if the audited financial statements of the Board are not available by December 31, the Board shall include unaudited financial statements with its Annual Report and when such audited financial statements become available to the Board, the same shall be submitted to the Dissemination Agent no later than thirty (30) days after the receipt of the same by the Board.

(b) Not later than January 31 of each year (commencing January 31, 2026) the Dissemination Agent shall provide to EMMA a copy of the Annual Report received by the Dissemination Agent pursuant to subsection (a) hereof.

(c) If the Board does not provide or is unable to provide an Annual Report by the applicable date required in subsection (a) above, such that the Dissemination Agent cannot file the Annual Report with EMMA in accordance with subsection (b) above, the Dissemination Agent shall, in a timely manner, send a notice of such event to EMMA in substantially the form attached hereto as Exhibit A, with copies to the Board (if the Dissemination Agent is not the Board).

(d) Each year the Dissemination Agent shall file a report with the Board (if the Dissemination Agent is not the Board), certifying that the Annual Report has been provided to EMMA pursuant to this Disclosure Certificate, stating the date it was provided.

(e) If the fiscal year of the Board changes, the Board shall give written notice of such change to the Dissemination Agent and the Dissemination Agent shall, within five (5) business days after the receipt thereof from the Board, forward a notice of such change to EMMA in the manner provided in Section 5(e) hereof.

SECTION 4. Content of Annual Reports. The Board's Annual Report shall contain or incorporate by reference the following:

(1) The audited financial statements of the Board (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available).

The audited financial statements are to be prepared in accordance with generally accepted accounting principles (GAAP).

(2) The general financial information and operating data of the Board consistent with the information set forth in the Official Statement dated April 16, 2025, prepared in connection with the sale of the Bonds (the "Official Statement") in Appendix A under the sections relating to (1) Board indebtedness; (2) property valuation information; and (3) tax rate, levy and collection data.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Board is an "Obligated Person" (as defined by the Rule), which have been filed with EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final

official statement, it must be available from the MSRB. The Board shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events. (a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Nonpayment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of Bondholders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances of the Bonds;
- (10) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) Ratings changes rating to the Bonds;
- (12) Bankruptcy, insolvency, receivership or similar event of the Board;
- (13) The consummation of a merger, consolidation, or acquisition involving the Board or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (14) Appointment of a successor or additional trustee for the Bonds or the change of name of a trustee for the Bonds, if material;
- (15) Incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect Bondholders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation, any of which reflect financial difficulties.

The Board shall, in a timely manner not in excess of ten (10) business days after the occurrence of any Listed Event, file a notice of the occurrence of such Listed Event with the MSRB in accordance with the provisions of Section 5 of this Disclosure Certificate. In determining the materiality of any of the Listed Events specified in this subsection (a) of this section 5, the Board may, but shall not be required to, rely conclusively on an opinion of counsel.

(b) Whenever the Board has or obtains knowledge of the occurrence of any of the Listed Events, the Board shall, as soon as possible, determine if such event would constitute information material to the Beneficial Owners of the Bonds.

(c) If the Board determines that the occurrence of a Listed Event would be material to the Beneficial Owners of the Bonds, the Board shall promptly notify the Dissemination Agent in writing (if the Board is not the Dissemination Agent) and the Board shall instruct the Dissemination Agent to report such Listed Event and the Dissemination Agent shall report the occurrence of such Listed Event pursuant to subsection (e) hereof.

(d) If the Board determines that the occurrence of a Listed Event would not be material to the Beneficial Owners of the Bonds, the Board shall promptly notify the Dissemination Agent in writing (if the Dissemination Agent is not the Board) and the Dissemination Agent (if the Dissemination Agent is not the Board) shall be instructed by the Board not to report the occurrence.

(e) If the Dissemination Agent has been instructed in writing by the Board to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA, with a copy to the Board (if the Dissemination Agent is not the Board). Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) hereof need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Beneficial Owner of the affected Bonds pursuant to the Bond Resolution.

SECTION 6. Termination of Reporting Obligation. The Board's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or when the Board is no longer an "Obligated Person" (as defined in the Rule). The Board shall file a notice of the termination of its reporting

obligations pursuant to the provisions hereof with the Dissemination Agent, which notice shall be filed with EMMA in accordance with the provisions of Section 5(e) hereof.

SECTION 7. Dissemination Agent; Compensation. The Board may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Board. The Board shall compensate the Dissemination Agent (which shall be appointed) for the performance of its obligations hereunder in accordance with an agreed upon fee structure.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Board may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver (supported by an opinion of counsel expert in federal securities laws acceptable to the Board to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof) is (a) made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (b) the undertaking, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment or waiver does not materially impair the interests of holders, as determined either by parties unaffiliated with the Board or "Obligated Person," or by approving vote of the Beneficial Owners of the Bonds, as applicable pursuant to the terms of the Bond Resolution at the time of the amendment. The Board shall give notice of such amendment or waiver to this Disclosure Certificate to the Dissemination Agent, which notice shall be filed in accordance with the provisions of Section 5 hereof. Notwithstanding the above, the addition of or change in the Dissemination Agent shall not be construed to be an amendment under the provisions hereof.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Board shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Board. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in the same manner as a Listed Event under Section 5 hereof, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Board from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of

communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Board chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Board shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Board to comply with any provision of this Disclosure Certificate, the Holders of at least 25% aggregate principal amount of Outstanding Bonds or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Board to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Board to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and, to the extent permitted by law, the Board agrees to indemnify and hold the Dissemination Agent (if the Dissemination Agent is not the Board) and its respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. To the extent permitted by law, the Board further releases the Dissemination Agent from any liability for the disclosure of any information required by the Rule and this Disclosure Certificate. The obligations of the Board under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Board, the Dissemination Agent, the Underwriters, and the Beneficial Owners of the Bonds, including Bondholders, and shall create no rights in any other person or entity.

SECTION 13. Notices. All notices and submissions required hereunder shall be given to the following, or their successors, by facsimile transmission (with written confirmation of receipt), followed by hard copy sent by certified or registered mail, personal delivery or recognized overnight delivery:

(a) If to the Board of Education:

The Board of Education of the
Great Meadows Regional School District
P.O. Box 74
Great Meadows, New Jersey 07838
Attention: Business Administrator/Board Secretary

(b) Copies of all notices to the Dissemination Agent from time to time with respect to the Bonds, initially:

The Board of Education of the
Great Meadows Regional School District
P.O. Box 74
Great Meadows, New Jersey 07838
Attention: Business Administrator/Board Secretary

Each party shall give notice from time to time to the other parties, in the manner specified herein, of any change of the identity or address of anyone listed herein.

SECTION 14. Counterparts. This Disclosure Certificate may be executed in any number of counterparts which shall be executed by authorized signatories of the Board and the Dissemination Agent, as applicable, and all of which together shall be regarded for all purposes as one original and shall constitute and be but one and the same.

SECTION 15. Severability. If any one or more of the covenants or agreements in this Disclosure Certificate to be performed on the part of the Board and the Dissemination Agent should be contrary to law, then such covenant or covenants, agreement or agreements, shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Disclosure Certificate.

SECTION 16. Governing Law. This Disclosure Certificate shall be construed in accordance with and governed by the Laws of the United States of America and the State of New Jersey as applicable.

**THE BOARD OF EDUCATION OF THE
GREAT MEADOWS REGIONAL SCHOOL
DISTRICT IN THE COUNTY OF WARREN,
NEW JERSEY**

By: _____
SAMANTHA WESTBERG,
**Business Administrator/
Board Secretary**

EXHIBIT A

**NOTICE TO EMMA OF FAILURE
TO FILE ANNUAL REPORT**

Name of Issuer: The Board of Education of the
Great Meadows Regional School District
in the County of Warren, New Jersey

Name of Issue: \$8,059,000 School Bonds, Series 2025
Dated: _____, 2025
(CUSIP Number: 390832___)

Date of Issuance: _____, 2025

NOTICE IS HEREBY GIVEN that the above designated Board has not provided an Annual Report with respect to the above-named Bonds as required by the Bond Resolution and a Continuing Disclosure Certificate for the Bonds dated as of _____, 2025 executed by the Board.

DATED: _____

DISSEMINATION AGENT
(on behalf of the Board)

cc: The Board

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