SOUTHAMPTON TOWNSHIP
SCHOOL DISTRICT

Southampton, New Jersey
County of Burlington

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT

SOUTHAMPTON, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

This page intentionally left blank.

OUTLINE OF ACFR

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	7
Roster of Officials	8
Consultants and Advisors	9
FINANCIAL SECTION	
Independent Auditor's Report	11
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management's Discussion & Analysis	17
BASIC FINANCIAL STATEMENTS	
A. Government-Wide Financial Statements	
A-1 Statement of Net Position	27
A-2 Statement of Activities	28
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	33
B-2 Statement of Revenues, Expenditures & Changes in Fund Balance	34
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balance of Governmental Funds to the Statement of Activities	35
Proprietary Funds:	
B-4 Statement of Net Position	39
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position	40
B-6 Statement of Cash Flows	41
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to Financial Statements	45
REQUIRED SUPPLEMENTARY INFORMATION - PART II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	85
C-1a Combining Schedule of Revenue, Expenditures & Changes in Fund Balance - Budget & Actual	N/A
C-1b Community Development Block Grant	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	90
Notes to the Required Supplementary Information:	
C-3 Budget-to-GAAP Reconciliation	91

(continued)

OUTLINE OF ACFR (continued):

	PAGE
REQUIRED SUPPLEMENTARY INFORMATION - PART III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability – PERS	97
L-2 Schedule of the District Contributions – PERS	98
L-3 State's Proportionate Share of the Net Pension Liability Associated With the District's – TPAF	99
L-4 Schedule of the District Contributions – TPAF	N/A
M. Schedules Related to Accounting and Reporting for Pensions (GASB 75)	
M-1 Schedule of Changes in the Net OPEB Liability and Related Ratios Associated with the District	103
Notes to the Required Supplementary Information - Part III	104
Other Supplementary Information	
D. School Based Budget Schedules Fund:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget & Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues & Expenditures - Special Revenue Fund - Budgetary Basis	109
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures	113
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	114
F-2a Schedule of Revenues, Expenditures, Project Balance & Project Status - Budgetary Basis - Doors, Fire Alarm System and Cameras Replacement	115
F-2a Schedule of Revenues, Expenditures, Project Balance & Project Status - Budgetary Basis - School #2 Parking Lot Replacement	116
G. Proprietary Funds:	
Enterprise Funds:	
G-1 Combining Statement of Net Position	N/A
G-2 Combining Statement of Revenues, Expenses & Changes in Fund Net Position	N/A
G-3 Combining Statement of Cash Flows	N/A
Internal Service Funds:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A

(continued)

OUTLINE OF ACFR (continued):

	PAGE
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	119
I-2 Schedule of Financed Purchases	N/A
I-3 Schedule of Revenues, Expenditures and Changes in Fund Balance	120
I-4 Schedule of Subscription-Based Information Technology Arrangments Liability	121
STATISTICAL SECTION (unaudited)	
Financial Trends:	
J-1 Net Position by Component	127
J-2 Changes in Net Position	128
J-3 Fund Balances - Governmental Funds	130
J-4 Changes in Fund Balance - Governmental Funds	131
J-5 Other Local Revenue by Source - General Funds	133
Revenue Capacity:	
J-6 Assessed Value & Estimated Actual Value of Taxable Property	137
J-7 Direct & Overlapping Property Tax Rates	138
J-8 Principal Property Taxpayers	139
J-9 Property Tax Levies & Collections	140
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	143
J-11 Ratios of General Bonded Debt Outstanding	144
J-12 Direct & Overlapping Governmental Activities Debt	145
J-13 Legal Debt Margin Information	146
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	149
J-15 Principal Employers	150
J-16 Full-Time Equivalent District Employees by Function/Program	151
Operating Information:	
J-17 Operating Statistics	155
J-18 School Building Information	156
J-19 Schedule of Required Maintenance	157
J-20 Insurance Schedule	158
SINGLE AUDIT SECTION	
K-1 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	161
K-2 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB Circular 15-08	163
K-3 Schedule of Expenditures of Federal Awards, Schedule A	167
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	168
K-5 Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	169
K-6 Schedule of Findings & Questioned Costs - Section I - Summary of Auditor's Results	
Section I - Summary of Auditor's Results	171
Section II - Financial Statement Findings	173
Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs	173
K-7 Summary Schedule of Prior Audit Findings and Questioned Costs as Prepared by Management	174

This page intentionally left blank.

INTRODUCTORY SECTION

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOLS
in Historic Vincentown Village
177 Main Street
Southampton, New Jersey 08088
Telephone (609)859-2256 ext. 127 Facsimile 609.859.1542
Website: www.southampton.k12.nj.us
"Building a Tradition of Excellence"

Mrs. Megan Geibel — *Superintendent of Schools*

January 14, 2025

Honorable President and Members of the Board of Education
Township of Southampton School District
County of Burlington
Southampton, New Jersey 08088

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Southampton Township School District for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Southampton Township School District. 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, 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 cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:
Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:
Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:
Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:
The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Southampton Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 8. Our Kindergarten students participate in a full-day program that is further enhanced by the presence of an instructional assistant in each classroom to assist the students, teacher, and supplement instructional activities. In addition, the school District operates a preschool program for students aged 3-5 who have special needs. A full array of support services including comprehensive special education programming, basic skills instruction, guidance services, and enrichment programs are available to our students. The School District's enrollment as of October 15th for the past ten fiscal years are detailed below.

Fiscal Year	Student Enrollment	Percent Change
2023-2024	688	0.15%
2022-2023	687	-3.51%
2021-2022	712	-0.14%
2020-2021	713	1.57%
2019-2020	702	-0.71%
2018-2019	707	-0.84%
2017-2018	713	0.56%
2016-2017	709	2.75%
2015-2016	690	-2.82%
2014-2015	710	-1.80%

ECONOMIC CONDITION AND OUTLOOK

The economic condition of Southampton Township continues to be stable. The ratables in the township are presently flat. No significant change in business or industrial growth is projected. Property values in the area during the past couple of years are slowly increasing after several years of a flat real estate market.

ECONOMIC CONDITION AND OUTLOOK (continued)

Residential development is presently almost at a standstill and thus is not impacting the resources of the School District. Presently, the majority of new housing can be characterized as high-end single family homes in a rural setting. There is potential for substantial residential development in the community.

MAJOR INITIATIVES

The Board of Education and administration are continually committed to upgrading and maintaining the school grounds and facilities. Improving safety and security remains an ongoing commitment. The district previously installed bollards. Funds will be allocated to upgrade our district's door access system, installing bollards, and added additional security cameras and lights around the Administration Building.

The school district's focus on educational programming and educational achievement for the 2023-2024 school year are articulated in the three (3) goals that were developed with input from the teaching staff, Administrative Team, and Board of Education. The goals are as follows:

Goal #1: School Climate, Culture, and Security

The superintendent will lead the administrative team in developing an action plan to guide the on-going, district-wide School Climate, Culture, and Security Initiative. During the 2023-2024 school year, the first part of our multi-year goal will be focused on the social-emotional health of our students. Students will be able to identify mental health supports within the school environment and form positive relationships through problem-solving and communication. Additionally, increased security measures on campus will contribute to the social and emotional health of students.

By the end of the 2023-2024 school year, 85% of students will maintain or improve in their social-emotional health and well-being as evidenced by spring 2024 survey results as compared to the fall 2023 survey results.

Goal #2: Student Achievement

The superintendent will lead the administrative team during this multi-year goal in developing an action plan to increase student academic progress in math by improving math practices through increased staff capacity, meaningful programming, and purposeful environments that maximize learner autonomy and capacity to thrive.

By the end of 2023-2024 school year, student data will show a 10% or more increase in the district average of students scoring above grade or proficiency level in math as measured by the spring 2024 benchmark assessment as compared to the fall 2023 benchmark assessment and/or the spring 2023 NJSLA-M as compared to the spring 2024 NJSLA-M.

Goal #3: Community Engagement

The superintendent will lead the administrative team in developing an action plan to guide the ongoing, district-wide community engagement initiative in grades K-8. During the 2023-2024 school year, through collaboration with school staff and community members, activities and events will be planned to actively engage families and the community in a meaningful, structured, and productive manner that promotes learning, cooperation, and increased community engagement and participation.

By the end of the 2023-2024 school year, participant survey data will reflect an 80% favorable rating in response to various school/district activities.

MAJOR INITIATIVES (continued)

Another major initiative during the 2022-2023 school year that continued in the 2023-2024 school year was to provide social and emotional health support for our entire school community. Going into the 2021-2022 and the 2022-2023 school years, we found that our students, families, and staff were still struggling mentally, socially, and emotionally as a result of the pandemic. We purchased a social and emotional learning (SEL) program to help teachers provide support for students in this area. ESSER II and ARP ESSER funds were a huge help for us with SEL. We used ESSER II/ARP ESSER funds to hire a fourth school counselor, to contract the service of consultants to provide SEL training for teachers as well as mental health support for themselves, extended our summer learning programs, and provide a Remote Transition program to help our remote students re-acclimate to campus.

The curricula of the Southampton Township School District are aligned to and in accordance with the New Jersey Student Learning Standards. The school district utilizes a five-year curriculum review matrix to ensure that every content area is reviewed, enhanced through revisions, monitored, and assessed within the approved cycle. The written curricula are developed in-district with the active participation of the teaching staff in collaboration with the Director of Curriculum and administrative team. The focus of the written curriculum is to ensure that the various New Jersey Student Learning Standards are thoroughly addressed via classroom instruction. Careful consideration is given to grade level articulation, the scope and sequence of the curricula, and ensuring that selected textbooks and supplemental materials align with the standards.

All of the district's curriculum is now available on-line via Atlas, a curriculum platform customized for school districts. As the state continues to revise the standards in a number of content areas; the curricula will be revised again this summer and fall to align with the new standards.

Enhancements to the school district's curriculum continue to take place. One major undertaking that has taken place is the revision of scope and sequence in both the math and language arts curricula. Additionally, the district continues to address learning recovery post-pandemic and has begun preparing for a new math program.

The district has aligned social and emotional health with the district's climate and culture goal to transition learners back to a healthy environment.

Southampton Township School District has continued to improve its educational technology over the past several years. All classrooms, computer labs, and offices have high speed Internet connectivity. The district has three (3) I-STEAM labs, we are one-to-one in grades 3-8, and there are two mobile carts for each grade level in our K-2 building. The district continues to procure Chromebooks to replace outdated devices and continue with a one-to-one initiative has been achieved with Chromebooks for grades 3-8, and the district is close to achieving one-to-one with electronic devices in grades K-2.

The school district has a Smart Board in every classroom, including our special area and POR classrooms, throughout the district. Smart Boards are highly motivating for students and provide them with a hands-on experience that enhances the learning experience for classroom instruction via a multi-sensory approach. Beginning in the summer of 2022-2023, new Smart Boards were purchased to begin the replacement of our older district models. This will be an ongoing project. The district also completed a technology audit in the 2023-2024 school year.

The Board of Education developed one goal that was the focus of the Board of Education's effort during the school year.

MAJOR INITIATIVES (continued)

The Board of Education goal for 2023-2024 was as follows:

GOAL #1: The Board of Education will adopt and implement a public relations program to enhance communications with our fellow residents. To achieve this goal, the Board of Education will foster a collaborative relationship with the greater Southampton community by building public awareness, increasing engagement, and boosting its visibility. The effectiveness of this program will be measured by community feedback and future Board self-evaluations facilitated by the New Jersey School Boards Association.

The school district's Governance Manual is an electronic format that is available on-line. The Board of Education has an annual maintenance contract with Strauss & Esmay, Inc. that provides policy and regulation updates, plus the on-line subscription.

INTERNAL ACCOUNTING CONTROLS

Management of the School 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 and misuse and to ensure that adequate accounting data are completed 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 delivered; 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 also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluations by the district management.

As part of the School 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.

BUDGETARY CONTROLS

In addition to internal accounting controls, the School 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. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc., was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff.

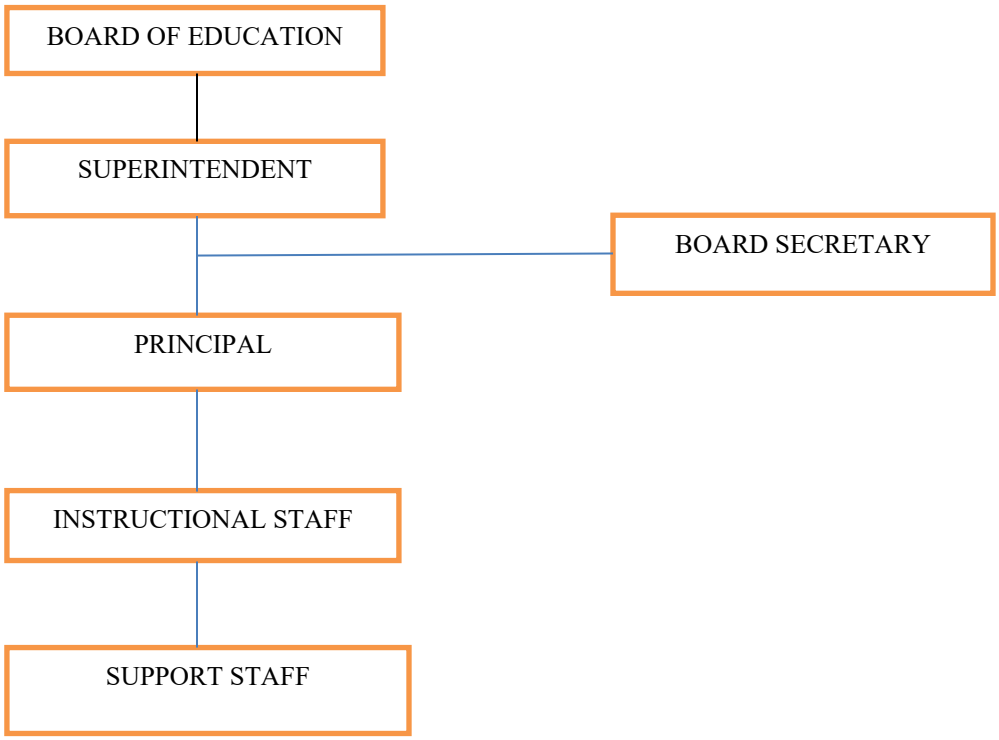
Respectfully submitted,

Megan Geibel, Superintendent

Mary Conroy, School Business Administrator/Board Secretary

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
177 Main Street
Southampton, New Jersey 08088

ORGANIZATIONAL CHART



SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2024

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Mr. Jeffrey E. Hicks, Board President	12/31/2025
Mrs. Katie Topf, Board Vice President	12/31/2024
Mr. Irving Bodine III	12/31/2025
Mr. Russell Hann	12/31/2026
Mr. Leon Carelli	12/31/2026
Mrs. Betty Wright	12/31/2024
Mrs. Melissa Walker	12/31/2024

OTHER OFFICIALS

Megan Geibel, Superintendent of Schools

Casey M. DeJoseph, School Business Administrator/Board Secretary

Amy Lerner, Treasurer

Joe Betley, Esq., Solicitor

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
Southampton, New Jersey

CONSULTANTS AND ADVISORS

ARCHITECT

Regan Young England and Butera Architects
Rt. 38, Box 480
Hainesport, New Jersey 08036

AUDIT FIRM

David McNally, CPA, PSA
Holt McNally & Associates, Inc.
105 Atsion Rd. Suite I
Medford, New Jersey 08055

ATTORNEY

Joseph F. Betley, Esq.
8000 Midlantic Drive
Suite 300S
Mount Laurel, NJ 08054

OFFICIAL DEPOSITORY

Fulton Bank
1544 NJ-38
Lumberton, NJ 08048

This page intentionally left blank.

HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Southampton Township School District
County of Burlington
Southampton, New Jersey

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Southampton Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Southampton Township School District, County of Burlington, State of New Jersey, 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 Opinions

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

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 School District's ability to

105 Atsion Road, Suite I, Medford, NJ 08055
P: 609.953.0612 • F: 609.257.0008
www.hmacpainc.com

continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement 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 judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

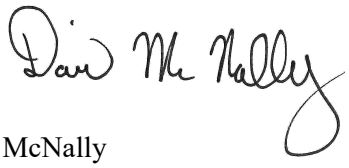
In connection with the audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 January 14, 2025 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors



David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 14, 2025

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

As management of the Southampton Township School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues *(governmental activities)* and other functions that are intended to recover most of their costs from user fees and charges *(business-type activities).* Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into two categories: *governmental funds and proprietary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements,

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2024 and 2023.

Table 1
Summary of Net Position

	June 30, 2024	June 30, 2023	Increase/ (Decrease)	Percentage Change
Current & Other Assets	$ 5,392,604	$ 5,296,362	$ 96,242	2%
Capital Assets, Net	16,938,029	17,780,774	(842,745)	-5%
Total Assets	22,330,633	23,077,136	(746,503)	-3%
Deferred Outflow of Resources	400,314	566,452	(166,138)	-29%

Financial Analysis of the School District as a Whole (continued)

Summary of Net Position (continued)

	June 30, 2024	June 30, 2023	Increase/ (Decrease)	Percentage Change
Current and other Liabilities	228,158	244,681	(16,523)	-7%
Noncurrent Liabilities	2,518,761	3,218,902	(700,141)	-22%
Total Liabilities	2,746,919	3,463,583	(716,664)	-21%
Deferred Inflow of Resources	172,830	474,855	(302,025)	-64%
Net Position:				
Net Investment in Capital Assets	16,418,029	16,710,774	(292,745)	-2%
Restricted	4,077,172	3,724,123	353,049	9%
Unrestricted (Deficit)	(684,003)	(729,747)	45,744	-6%
Total Net Position	$ 19,811,198	$ 19,705,150	$ 106,048	1%

Table 2 reflects the changes in net position for fiscal years 2024 and 2023.

Table 2
Summary of Changes in Net Position

	June 30, 2024	June 30, 2023	Increase/ (Decrease)	Percentage Change
Revenues:				
Program Revenues:				
Charges for Services	$ 159,172	$ 154,583	$ 4,589	2.97%
Operating Grants & Contributions	2,468,046	2,789,944	(321,898)	-11.54%
General Revenues:				
Property Taxes	12,973,125	12,980,521	(7,396)	-0.06%
Federal & State Aid	1,566,824	1,601,794	(34,970)	-2.18%
Other General Revenues	383,992	245,489	138,503	56.42%
Special Items	-	(9,249)	9,249	-100.00%
Total Revenues	17,551,159	17,763,082	(211,923)	-1.19%
Function/Program Expenses:				
Regular Instruction	4,187,581	3,836,214	351,367	9.16%
Special Education Instruction	1,540,223	1,543,706	(3,483)	-0.23%
Other Instruction	583,419	672,840	(89,421)	-13.29%
Tuition	743,078	857,385	(114,307)	-13.33%
Student & Instruction Related Services	2,231,234	2,014,237	216,997	10.77%
General Administrative	393,661	362,068	31,593	8.73%
School Administrative Services	445,160	483,280	(38,120)	-7.89%
Central Services	286,269	269,868	16,401	6.08%
Administrative Information Technology	95,567	109,736	(14,169)	-12.91%
Plant Operations & Maintenance	1,339,304	1,179,718	159,586	13.53%
Pupil Transportation	950,818	924,855	25,963	2.81%
Transfer to Charter Schools	19,303	-	19,303	N/A
Unallocated Benefits	2,239,850	2,328,645	(88,795)	-3.81%
On Behalf TPAF Pension and Social Security Contributions	1,139,773	1,197,143	(57,370)	-4.79%
Interest & Other Charges	37,568	49,828	(12,260)	-24.60%
Unallocated Depreciation & Amortization	870,236	890,896	(20,660)	-2.32%
Food Service	342,067	295,936	46,131	15.59%
Total Expenses	17,445,111	17,016,355	428,756	2.52%
Change In Net Position	106,048	746,727	(640,679)	-85.80%
Net Position - Beginning	19,705,150	18,958,423	746,727	3.94%
Net Position - Ending	$ 19,811,198	$ 19,705,150	$ 106,048	0.54%

Governmental Activities

Governmental activities increased the net position of the School District by $119,596 or 0.61% during the current fiscal year.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by $19,681,517 with an unrestricted deficit balance of $794,356. As mentioned earlier, deficit unrestricted net position is primarily due to accounting treatment for compensated absences payable, net pension liability and the last 2 state aid payments. The School District's governmental activities unrestricted net positon had GASB 68 pension not been implemented would have been as follows:

Table 3

Unrestricted Net Position (With GASB 68)	$	(794,356)
Add back: PERS Pension Liability		1,778,805
Add back: Deferred Inflows related to pensions		172,830
Less: Deferred Outflows related to pensions		(400,314)
Unrestricted Net Position (Without GASB 68)	$	756,965

Business-type Activities

At the end of the current fiscal year, the School District's proprietary funds (Food Service Fund) reported an ending net position of $129,681, an decrease of $13,548 from the prior year.

General Fund Budgeting Highlights

Final budgeted revenue was $13,914,828, which was equal to the original budget. Final budgeted appropriations was $15,417,705, which was an increase of $320,692 from the original budget. The difference is the combination of prior year reserve for encumbrances and a withdrawal from Maintenance Reserve.

Financial Analysis of the Government's Funds

Governmental Funds - At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of $5,092,002, an increase of $146,888 or 2.97% from the prior year fund balance in the amount of $4,945,114.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2024, totaled $16,938,029 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of $842,745. Table 4 reflects the capital assets.

Table 4
Summary of Capital Assets - Governmental Activities

Capital Assest (Net of Depreciation):	June 30, 2024	June 30, 2023
Land	$ 537,670	$ 537,670
Construction in Progress	897,959	897,959
Buildings	14,931,424	15,685,717
Land Improvements	447,439	505,912
Equipment	104,209	129,845
	$ 16,918,701	$ 17,757,103
Depreciation Expense	$ 838,402	$ 859,062

Summary of Capital Assets - Business-Type Activities

Capital Assest (Net of Depreciation):	June 30, 2024	June 30, 2023
Equipment	$ 19,328	$ 23,671
	$ 19,328	$ 23,671
Depreciation Expense	$ 4,343	$ 4,343

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 6) of this report.

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of $520,000, which is a decrease of $550,000 from the prior year.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 8) of this report.

Factors on the School District's Future

The following factors were considered and incorporated into the preparation of the School District's budget for the 2023-24 fiscal year:

- State funding losses due to S-2 legislation
- Managing COVID-19 expenses
- Addressing student learning loss and providing social and emotional health supports post-Pandemic

The Southampton Township Board of Education is in good financial condition presently. The School District is proud of its community support. As evidenced by the financial statement contained herein, the district exhibits fiscal restraint while continuing to provide an excellent educational program for its students.

A continuing concern is the lack of state and federal revenues, which have resulted in increased property taxes. The phase-out of ESSER funding paired with the increase in special education and transportation costs continues to present challenges when developing the budget. Transportation costs have increased over 80% the past two years and will remain a challenge for years to come. Special education and related services costs continue to increase as well, presenting challenges for staffing both teaching positions and positions within the Child Study Team.

In conclusion, the Southampton Township Board of Education has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Southampton Township School District Business Administrator, Southampton, New Jersey 08088-8874.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

A. Government-Wide Financial Statements

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	$ 2,323,488	$ 109,754	$ 2,433,242
Receivables, Net (Note 4)	673,823	15,753	689,576
Inventory	-	8,070	8,070
Restricted Cash & Cash Equivalents	2,134,379	-	2,134,379
Intangible Assets, Net (Note 5)	127,337	-	127,337
Capital Assets, Net (Note 6)			
Non-depreciable	1,435,629	-	1,435,629
Depreciable	15,483,072	19,328	15,502,400
Total Assets	22,177,728	152,905	22,330,633
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	400,314	-	400,314
Total Deferred Outflow of Resources	400,314	-	400,314
LIABILITIES:			
Accounts Payable	37,873	-	37,873
Due to Other Governments	161,346	-	161,346
Unearned Revenue	16,115	8,924	25,039
Accrued Interest	3,900	-	3,900
Internal Balances	(14,300)	14,300	-
Noncurrent Liabilities (Note 8):			
Due within one year	565,195	-	565,195
Due in more than one year	1,953,566	-	1,953,566
Total Liabilities	2,723,695	23,224	2,746,919
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	172,830	-	172,830
Total Deferred Inflow of Resources	172,830	-	172,830
NET POSITION:			
Net Investment in Capital Assets	16,398,701	19,328	16,418,029
Restricted for:			
Capital Projects	957,311	-	957,311
Emergency Reserve	250,000	-	250,000
Maintenance Reserve	795,725	-	795,725
Other Purposes	131,343	-	131,343
Excess Surplus	1,942,793	-	1,942,793
Unrestricted (Deficit)	(794,356)	110,353	(684,003)
Total Net Position	$ 19,681,517	$ 129,681	$ 19,811,198

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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS & CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: GOVERNMENTAL ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	$ 4,187,581	$ -	$ 259,690	$ (3,927,891)	$ -	$ (3,927,891)
Special Education Instruction	1,540,223	-	-	(1,540,223)	-	(1,540,223)
Other Instruction	583,419	-	-	(583,419)	-	(583,419)
Support Services:						
Tuition	743,078	-	213,660	(529,418)	-	(529,418)
Student & Instruction Related Services	2,231,234	-	247,173	(1,984,061)	-	(1,984,061)
General Administrative	393,661	-	-	(393,661)	-	(393,661)
School Administrative Services	445,160	-	-	(445,160)	-	(445,160)
Central Services	286,269	-	-	(286,269)	-	(286,269)
Administrative Information Technology	95,567	-	-	(95,567)	-	(95,567)
Plant Operations & Maintenance	1,339,304	-	-	(1,339,304)	-	(1,339,304)
Pupil Transportation	950,818	-	-	(950,818)	-	(950,818)
Transfer to Charter Schools	19,303	-	-	(19,303)	-	(19,303)
Unallocated Benefits	2,239,850	-	446,921	(1,792,929)	-	(1,792,929)
On Behalf TPAF Pension and Social Security Contributions	1,139,773	-	1,139,773	-	-	-
Interest & Other Charges	37,568	-	-	(37,568)	-	(37,568)
Unallocated Depreciation	838,402	-	-	(838,402)	-	(838,402)
Unallocated Amortization	31,834	-	-	(31,834)	-	(31,834)
Total Governmental Activities	17,103,044	-	2,307,217	(14,795,827)	-	(14,795,827)
Business-Type Activities:						
Food Service	342,067	159,172	160,829	-	(22,066)	(22,066)
Total Business-Type Activities	342,067	159,172	160,829	-	(22,066)	(22,066)
Total Primary Government	$ 17,445,111	$ 159,172	$ 2,468,046	(14,795,827)	(22,066)	(14,817,893)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				12,495,999	-	12,495,999
Property Taxes, Levied for Debt Service				477,126	-	477,126
Federal & State Aid Not Restricted				1,566,824	-	1,566,824
Tuition Charges				6,000	-	6,000
Miscellaneous				369,474	8,518	377,992
Total General Revenues				14,915,423	8,518	14,923,941
Change In Net Position				119,596	(13,548)	106,048
Net Position - Beginning				19,561,921	143,229	19,705,150
Net Position - Ending				$ 19,681,517	$ 129,681	$ 19,811,198

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

B. Fund Financial Statements

This page intentionally left blank.

Governmental Funds

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:				
Cash & Cash Equivalents	$ 2,598,441	$ -	$ 9,408	$ 2,607,849
Receivables, Net:				
Interfund Receivable	80,726	-	140,592	221,318
Due from Other Governments:				
State	279,632	37,747	-	317,379
Federal	-	324,305	-	324,305
Other Receivables	-	32,139	-	32,139
Restricted Cash & Cash Equivalents	2,105,254	29,125	-	2,134,379
Total Assets	$ 5,064,053	$ 423,316	$ 150,000	$ 5,637,369
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	$ -	$ 284,361	$ -	$ 284,361
Accounts Payable	2,882	27,289	-	30,171
Payroll Taxes and Deductions Witholdings	7,702	-	-	7,702
Interfund Payable	140,592	66,426	-	207,018
Unearned Revenue	-	16,115	-	16,115
Total Liabilities	151,176	394,191	-	545,367
Fund Balances:				
Restricted for:				
Capital Reserve	957,311	-	-	957,311
Emergency reserve	250,000	-	-	250,000
Maintenance reserve	795,725	-	-	795,725
Unemployment Compensation	102,218	-	-	102,218
Scholarships	-	2,863	-	2,863
Student Activities	-	26,262	-	26,262
Excess Surplus - Current year	937,233	-	-	937,233
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	1,005,560	-	-	1,005,560
Assigned to:				
Designated for Subsequent Year's Expenditures	217,130	-	-	217,130
Other Purposes	220,847	-	150,000	370,847
Unassigned	426,853	-	-	426,853
Total Fund Balances	4,912,877	29,125	150,000	5,092,002
Total Liabilities & Fund Balances	$ 5,064,053	$ 423,316	$ 150,000	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $34,231,500 and the accumulated depreciation is $17,312,799.	16,918,701
Intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $191,005 and the accumulated amortization is $63,668.	127,337
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows related to pensions	400,314
Deferred Inflows related to pensions	(172,830)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(3,900)
Accrued pension contributions for the June 30, 2024 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position	(161,346)
Long-term liabilities, including net pension liability an bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds	(2,518,761)
Net Position of Governmental Activities	$ 19,681,517

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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	$ 12,495,999	$ -	$ -	$ 477,126	$ 12,973,125
Tuition Charges	6,000	-	-	-	6,000
Miscellaneous	368,628	82,475	846	-	451,949
Total Local Sources	12,870,627	82,475	846	477,126	13,431,074
State Sources	4,835,841	37,747	-	-	4,873,588
Federal Sources	14,860	600,301	-	-	615,161
Total Revenues	17,721,328	720,523	846	477,126	18,919,823
Expenditures:					
Instruction:					
Regular Instruction	3,927,891	259,690	-	-	4,187,581
Special Education Instruction	1,540,223	-	-	-	1,540,223
Other Instruction	583,419	-	-	-	583,419
Support Services:					
Tuition	529,418	213,660	-	-	743,078
Student & Instruction Related Services	1,993,388	237,846	-	-	2,231,234
General Administrative	393,661	-	-	-	393,661
School Administrative Services	445,160	-	-	-	445,160
Central Services	286,269	-	-	-	286,269
Administrative Information Technology	95,567	-	-	-	95,567
Plant Operations & Maintenance	1,319,952	-	-	-	1,319,952
Pupil Transportation	950,818	-	-	-	950,818
Unallocated Benefits	1,997,139	-	-	-	1,997,139
On Behalf TPAF Pension and Social Security Contributions	3,283,877	-	-	-	3,283,877
Transfers to Charter Schools	19,303	-	-	-	19,303
Capital Outlay	12,707	-	6,645	-	19,352
Debt Service:					
Principal	84,609	-	-	550,000	634,609
Interest & Other Charges	23,805	-	-	17,888	41,693
Total Expenditures	17,487,206	711,196	6,645	567,888	18,772,935
Excess/(Deficiency) of Revenues over Expenditures Before Other Financing Sources\(Uses)	234,122	9,327	(5,799)	(90,762)	146,888
Other Financing Sources (Uses):					
Transfers in	846	-	150,000	-	150,846
Transfers out	(150,000)	-	(846)	-	(150,846)
Total Other Financing Sources (Uses)	(149,154)	-	149,154	-	-
Net changes in fund balances	84,968	9,327	143,355	(90,762)	146,888
Fund Balance, July 1	4,827,909	19,798	6,645	90,762	4,945,114
Fund Balance, June 30	$ 4,912,877	$ 29,125	$ 150,000	$ -	$ 5,092,002

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

EXHIBIT B-3

SOUTHAMPTON TOWNSHIP 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 Funds (B-2)	$	146,888
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense		(838,402)
Governmental funds recognize intangible assets as expenditures when the subscription is first entered, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
Amortization Expense		(31,834)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		219,656
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		634,609
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		4,125
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(15,446)
Change in Net Position of Governmental Activities	$	119,596

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

This page intentionally left blank.

Proprietary Funds

This page intentionally left blank.

EXHIBIT B-4

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

ASSETS	FOOD SERVICE
Current Assets:	
Cash & Cash Equivalents	$ 109,754
Accounts Receivable:	
State	438
Federal	4,864
Other	10,451
Inventories	8,070
Total Current Assets	133,577
Noncurrent Assets:	
Equipment	149,039
Less: Accumulated Depreciation	(129,711)
Total Capital Assets	19,328
Total Assets	152,905
LIABILITIES	
Current Liabilities:	
Unearned Revenue	8,924
Interfunds Payable	14,300
Total Liabilities	23,224
NET POSITION	
Net Position:	
Investment in Capital Assets	19,328
Unrestricted	110,353
Total Net Position	$ 129,681

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

EXHIBIT B-5

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2024

	FOOD SERVICE
Operating Revenues:	
Charges for service:	
Daily sales - Reimbursable Programs	$ 116,713
Daily sales - non-reimbursable programs	42,459
Total Operating Revenue	159,172
Operating Expenses:	
Cost of Sales - Reimbursable Programs	86,175
Cost of Sales - nonreimbursable programs	31,350
Salaries - FSMC	127,828
Social Security - FSMC	19,771
Employee Benefits - FSMC	5,113
Management Fee	27,500
Insurance	4,671
Miscellaneous	27,682
Supplies and Materials	7,634
Depreciation	4,343
Total Operating Expenses	342,067
Operating Income/(Loss)	(182,895)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	3,082
State School Reduced Lunch & Breakfast Program	981
Working Class Families State Supplement	3,357
Federal Sources:	
School Breakfast Program	10,964
National School Lunch Program	74,109
Healthy Hunger-Free Kids Act	3,918
Supply Chain Assistance Award	39,329
Pandemic EBT Administrative Costs	653
Food Distribution Program	24,436
Interest Earnings	8,518
Total Nonoperating Revenues/Expenses	169,347
Change in Net Position	(13,548)
Total Net Position - Beginning	143,229
Total Net Position - Ending	$ 129,681

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

EXHIBIT B-6

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2024

	FOOD SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	$ 135,052
Payments to Employees and Other Agencies	(152,712)
Payments for Supplies and Services	(161,025)
Net Cash Provided by/(Used for) Operating Activities	(178,685)
Cash Flows From Noncapital Financing Activities:	
State Sources	7,279
Federal Sources	130,979
Net Cash Provided by (Used for) Non Capital & Related Financing Activities	138,258
Cash Flows From Investing Activities:	
Interest & Dividends	8,518
Net Cash Provided by Investing Activities	8,518
Net Increase/(Decrease) in Cash & Cash Equivalents	(31,909)
Cash & Cash Equivalents, July 1	141,663
Cash & Cash Equivalents, June 30	$ 109,754

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	$ (182,895)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities:	
Food Distribution Program	24,436
Depreciation & Net Amortization	4,343
Increase/(Decrease) in Unearned Revenue	(19,813)
Increase/(Decrease) in Accounts Payable	(718)
(Increase)/Decrease in Accounts Receivable	(4,307)
(Increase)/Decrease in Inventories	269
Total Adjustments	4,210
Net Cash Provided/(Used) by Operating Activities	$ (178,685)

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

This page intentionally left blank.

NOTES TO FINANCIAL STATEMENTS

This page intentionally left blank.

Note 1. Summary of Significant Accounting Policies

The financial statements of the Southampton Township School District (the 'District") have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

Reporting Entity

The Southampton Township School District (hereafter referred to as the "District") is a Type II district located in the County of Burlington, 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. These terms are staggered so that three members' terms expire each year. The purpose of the District is to educate students in grades kindergarten through eighth at its three schools. The District has an approximate enrollment at June 30, 2024 of 688 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:

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

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

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2024.

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and

Note 1. Summary of Significant Accounting Policies (continued):

deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

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

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

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

Note 1. Summary of Significant Accounting Policies (continued):

in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

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. 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 in 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges 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 taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

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 year-end. 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 and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

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. The principal operating revenues of

Note 1. Summary of Significant Accounting Policies (continued):

the Food Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

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 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, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue 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.

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).

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.

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District's cafeteria operations.

Note 1. Summary of Significant Accounting Policies (continued):

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal

Note 1. Summary of Significant Accounting Policies (continued):

year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a 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 savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2024 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Note 1. Summary of Significant Accounting Policies (continued):

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of $2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

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

Note 1. Summary of Significant Accounting Policies (continued):

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

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

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

Note 1. Summary of Significant Accounting Policies (continued):

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2024.

- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

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

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

Net Position

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

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

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

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

Note 1. Summary of Significant Accounting Policies (continued):

Impact of Recently Issued Accounting Principles

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 101, *Compensated Absences,* updates the recognition and measurement guidance to better meet the information needs of the financial statement users for compensated absences. The standard requires that liabilities for compensated absences be recognized for leave that hasn't been used and leave that has been used but not paid yet. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 102, *Certain Risk Disclosures*, requires a government to disclose information about concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The standard will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. Statement No. 102 is effective for reporting periods beginning after June 15, 2024. Management has not yet determined the potential impact on the District's financial statements.

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2024, the District's bank balance of $5,491,577 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	$ 5,441,320
Uninsured and Uncollateralized	50,257
	$ 5,491,577

Investments

The School District has no investments at June 30, 2024.

Note 3. Reserve Accounts

A. Capital Reserve

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

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

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

Note 3. Reserve Accounts (continued):

Beginning Balance, July 1, 2023	$	901,465
Increased by:		
Interest Earnings		5,000
Transfer from Capital Projects		846
Deposits Approved by Resolution		200,000
		1,107,311
Decreased by:		
Budget Withdrawls		150,000
Ending Balance, June 30, 2024	$	957,311

The June 30, 2024 balance did not exceed the LRFP balance of local support costs of uncompleted capital projects.

B. Maintenance Reserve Account

The District established a Maintenance Reserve Account for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The Maintenance Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the maintenance reserve account are restricted to maintenance projects in the District's approved Maintenance Plan (M-1). A district may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

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

Beginning Balance, July 1, 2023	$	820,913
Increased by:		
Interest Earnings		5,000
		5,000
Decreased by:		
Withdrawal by Resolution		30,188
Ending Balance, June 30, 2024	$	795,725

C. Emergency Reserve

An emergency reserve account was established for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education.

Note 3. Reserve Accounts (continued):

Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of $250,000 or 1 percent of the general fund budget not to exceed $1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30.

Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent.

Ending Balance, June 30, 2023 and 2024	$ 250,000

Note 4. Accounts Receivable

Accounts receivable at June 30, 2024 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

	Governmental Funds			Proprietary Funds	
Description	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities
Federal Awards	$ -	$ 324,305	$ 324,305	$ 4,864	$ 4,864
State Awards	279,632	37,747	317,379	438	438
Other	-	32,139	32,139	10,451	10,451
Total	$ 279,632	$ 394,191	$ 673,823	$ 15,753	$ 15,753

Note 5. Intangible Assets

The School District has recorded intangible assets due to implementation of GASB 96. The assets are subscription-based information technology arrangements for various software throughout the District. The intangible asset is amortized on a straight-line basis over the terms of the related subscription arrangement.

Intangible asset activity for the School District for the year ended June 30, 2024, was as follows:

Note 5. Intangible Assets (continued):

	Balance June 30, 2023	Additions	Retirements and Transfers	Balance June 30, 2024
Governmental Activities:				
Intangible Assets:				
SBITA's - Software Applications	$ 191,005	$ -	$ -	$ 191,005
Total Intangible Assets	191,005	-	-	191,005
Less: Accumulated Amortization:				
SBITA's - Software Applications	(31,834)	(31,834)	-	(63,668)
Total Accumulated Amortization	(31,834)	(31,834)	-	(63,668)
Intangible Assets, Net	$ 159,171	$ (31,834)	$ -	$ 127,337

Note 6. Capital Assets

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

	Balance June 30, 2023	**Additions**	**Retirements and Transfers**	**Balance June 30, 2024**
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 537,670	$ -	$ -	$ 537,670
Construction in Progress	897,959	-	-	897,959
Total Capital Assets not being depreciated	1,435,629	-	-	1,435,629
Capital Assets being depreciated:				
Buildings	29,087,593	-	-	29,087,593
Land Improvements	2,029,761	-	-	2,029,761
Equipment	1,678,517	-	-	1,678,517
Total Capital Assets being depreciated	32,795,871	-	-	32,795,871
Less: Accumulated Depreciation:				
Buildings	(13,401,876)	(754,293)	-	(14,156,169)
Land Improvements	(1,523,849)	(58,473)	-	(1,582,322)
Equipment	(1,548,672)	(25,636)	-	(1,574,308)
Total Accumulated Depreciation	(16,474,397)	(838,402)	-	(17,312,799)
Total Capital Assets being depreciated, net	16,321,474	(838,402)	-	15,483,072
Total Governmental Activities Capital Assets, net	$ 17,757,103	$ (838,402)	$ -	$ 16,918,701

Note 6. Capital Assets (continued):

	Balance June 30, 2023	Additions	Retirements and Transfers	Balance June 30, 2024
Business-Type Activities:				
Equipment	$ 149,039	$ -	$ -	$ 149,039
	149,039	-	-	149,039
Less: Accumulated Depreciation:				
Equipment	(125,368)	(4,343)	-	(129,711)
	(125,368)	(4,343)	-	(129,711)
Total Business-Type Activities Capital Assets, net	$ 23,671	$ (4,343)	$ -	$ 19,328

Note 7. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2024 are as follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	$ 80,726	$ 140,592
Special Revenue Fund	-	66,426
Capital Projects Fund	140,592	-
Food Service Fund	-	14,300
	$ 221,318	$ 221,318

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
General Fund	$ 846	$ 150,000
Capital Projects Fund	150,000	846
	$ 150,846	$ 150,846

Note 8. Long-Term Obligations

During the fiscal year-ended June 30, 2024 the following changes occurred in long-term obligations:

Note 8. Long-Term Obligations (continued):

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Balance Due Within One Year
Governmental Activities:					
General Obligation Bonds	$ 1,070,000	$ -	$ 550,000	$ 520,000	$ 520,000
Compensated Absences	204,510	15,446	-	219,956	45,195
SBITA Liability	84,609	-	84,609	-	-
Net Pension Liability	1,859,783	-	80,978	1,778,805	-
	$ 3,218,902	$ 15,446	$ 715,587	$ 2,518,761	$ 565,195

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences and SBITA liabilities are liquidated by the general fund.

A. Bonds Payable:

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

On September 1, 2014, the School District issued $4,521,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.125% to 2.250% and mature on September 1, 2024. The purpose of the bonds is to fund capital improvement projects consisting of (i) the acquisition and installation of an air conditioning system at School #1 for use in educational spaces; (ii) the acquisition and installation of an air conditioning system at School #2 for use in educational spaces; (iii) the acquisition and installation of a generator at School #2 for emergency management use; (iv) the acquisition and installation of an air conditioning system at School #3 for use in educational spaces; (iv) the acquisition of all equipment and the completion of all work necessary or desirable to make said renovations and improvements compatible with existing facilities; and (v) the costs of issuance with respect to the Bonds (collectively, the "Project").

Principal and Interest due on the outstanding bonds is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	$ 520,000	$ 5,850	$ 525,850
	$ 520,000	$ 5,850	$ 525,850

B. Subscription Liability:

The School District has entered into subscription-based information technology arrangements (SBITAs) involving instructional software.

Note 8. Long-Term Obligations (continued):

The instructional software arrangement is a two-year agreement, initiated in fiscal year 2023 totaling payments of $191,005. The School District has imputed an interest rate of 0.00% to determine the present value of the intangible right-to-use assets and SBITA liabilities. There are no options to extend the arrangement or to purchase the software. This liability was liquidated during the current fiscal year.

C. Bonds Authorized But Not Issued:

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

Note 9. Pension Plans

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 benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th 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.

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 the 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.

Note 9. Pension Plans (continued):

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

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2024, the School District reported a liability of $1,778,805 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The School District's proportion measured as of June 30, 2023, was 0.012281%, which was a decrease of 0.000042% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School District recognized full accrual pension expense/(benefit) of $(55,516) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2023 measurement date. At June 30, 2024 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 17,008	$ 7,271
Changes of Assumptions	3,908	107,803
Net Difference between Projected and Actual Earnings on Pension Plan Investments	8,192	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	209,860	57,756
School District Contributions Subsequent to Measurement Date	161,346	-
	$ 400,314	$ 172,830

Note 9. Pension Plans (continued):

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

$161,346 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the estimated amount payable to the State due April 1, 2025 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2025	$ 72,252
2026	40,328
2027	(56,356)
2028	10,085
2029	(171)
	$ 66,138

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

Note 9. Pension Plans (continued):

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	5.16	-
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-
Changes in Proportion and Differences between Contributions and		
Pro Year of Pension Plan Deferral:		
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04
June 30, 2023	5.08	5.08

Note 9. Pension Plans (continued):

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

Actuarial Assumptions – The collective 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 assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	2.75%-6.55% based on years of service
Investment Rate of Return	7.00%
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

Note 9. Pension Plans (continued):

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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 Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

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 made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	$ 2,335,149	$ 1,778,805	$ 1,333,045

Note 9. Pension Plans (continued):

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2024 and 2023:

Balances at June 30, 2024 and June 30, 2023

	6/30/2024	6/30/2023
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Collective Deferred Outflows of Resources	$ 1,080,204,730	$ 1,660,772,008
Collective Deferred Inflows of Resources	1,780,216,457	3,236,303,935
Collective Net Pension Liability	14,606,489,066	15,219,184,920
District's portion of the Plan's total Net Pension Liability	0.012281%	0.012323%

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

The State's proportionate share of the PERS net pension liability associated with the special funding situation is $-0- as of June 30, 2024. The State's proportionate share of the contribution associated with the special funding situation was $5,547 as of June 30, 2024. These are based on measurements as of June 30, 2023.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. 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 Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

Note 9. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (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, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

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

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

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was $27,820,538. The School District's proportionate share was $-0-.

Note 9. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.054515%, which was an increase of 0.001037% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the School District recognized $683,470 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2023 measurement date.

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

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 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.

Note 9. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed 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 Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

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 made 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 projected benefit payments in determining the total pension liability.

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

Note 9. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	32,805,463	27,820,538	23,622,047
	$ 32,805,463	$ 27,820,538	$ 23,622,047

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

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2024 and 2023:

Balances at June 30, 2024 and June 30, 2023

	6/30/2024	6/30/2023
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Collective Deferred Outflows of Resources	$ 2,502,380,838	$ 5,004,259,312
Collective Deferred Inflows of Resources	14,830,205,473	19,682,774,794
Collective Net Pension Liability	51,109,961,824	51,676,587,303
District's portion of the Plan's total Net Pension Liability	0.054515%	0.053478%

Note 9. Pension Plans (continued):

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least $5,000 annually. The minimum salary in 2020 is $8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least $5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local educations employees

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

For the year ended June 30, 2024, employee contributions totaled $3,886, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of $2,119.

Note 10. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

Note 10. Other Post-Retirement Benefits (continued):

General Information about the OPEB Plan (continued):

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

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

Total Nonemployer OPEB Liability: $ 52,361,668,239

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

Note 10. Other Post-Retirement Benefits (continued):

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using 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 disabilities. 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.

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

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2023 was $32,391,477. The School District's proportionate share was $0.

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the OPEB Obligation attributable to the School District was 0.061861%, which was a decrease of 0.001416% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized an OPEB expense in the amount of $446,921 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2023 measurement date.

Health Care Trend Assumptions

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

Note 10. Other Post-Retirement Benefits (continued):

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	$ 37,973,446	$ 32,391,477	$ 27,909,804
State of New Jersey's Total Non- employer Liability	$ 61,385,066,712	$ 52,361,668,239	$ 45,116,926,835

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

The following presents the total nonemployer OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	$ 26,889,920	$ 32,391,477	$ 39,590,279
State of New Jersey's Total Nonemployer OPEB Liability	$ 43,468,257,358	$ 52,361,668,239	$ 63,998,719,320

* See Healthcare Cost Trend Assumptions for details of rates.

Note 10. Other Post-Retirement Benefits (continued):

Collective balances of the Local Group at June 30, 2023 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	$ -	$ -
Differences between Expected & Actual Experience	7,639,717,639	(13,791,541,217)
Change in Assumptions	7,445,895,322	(14,449,948,556)
Contributions Made in Fiscal Year Year Ending 6/30/2024 After Measurement Date	TBD	-
	$ 15,085,612,961	$ (28,241,489,773)

** Employer Contributions made after June 30, 2023 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,	
2024	$ (2,611,225,301)
2025	(2,611,225,301)
2026	(2,269,523,460)
2027	(1,338,024,839)
2028	(273,877,609)
Thereafter	(4,052,000,302)
	$ (13,155,876,812)

Plan Membership

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

	June 30, 2022
Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	152,383
	369,595

Note 10. Other Post-Retirement Benefits (continued):

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

Total OPEB Liability	
Service Cost	$ 2,136,235,476
Interest Cost	1,844,113,951
Difference Between Expected & Actual Experience	(980,424,863)
Changes of Assumptions	105,539,463
Contributions: Member	47,258,104
Gross Benefit Payments	(1,437,516,858)
Net Change in Total OPEB Liability	1,715,205,273
Total OPEB Liability (Beginning)	50,646,462,966
Total OPEB Liability (Ending)	$ 52,361,668,239
Total Covered Employee Payroll	$ 15,314,749,297
Net OPEB Liability as a Percentage of Payroll	342%

Note 11. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2024, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were $2,222,650, $455,150, $604,924 and $1,153, respectively.

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, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's trust fund for the current and previous two years:

Note 12. Risk Management (continued):

Fiscal Year	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2023-2024	$ 14,423	$ 4,030	$ 17,048	$ 102,218
2022-2023	9,680	2,534	-	100,813
2021-2022	12,687	1,097	-	88,599

Note 13. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Pending Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts' attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Note 14. Economic Dependency

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

Note 15. Deferred Compensation

The District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning
AXA Equitable
Valic Investments

Note 16. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 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.

Note 16. Compensated Absences (continued):

District employees are granted varying amount of vacation and sick leave in accordance with the District's personnel policies. The District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2024 is $219,956.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024 no liability existed for compensated absences in the proprietary fund types.

Note 17. Tax Abatements

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

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

Note 18. Commitments

The School District has contractual commitments at June 30, 2024 to various vendors, which are recorded in the general fund and capital projects fund as assigned to other purposes in the amounts of $220,847 and $150,000, respectively.

Note 19. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 was $937,233.

Note 20. Fund Balance

General Fund – Of the $4,912,877 General Fund fund balance at June 30, 2024, $957,311 has been restricted in the Capital Reserve account; $250,000 has been restricted in the Emergency Reserve account; $795,725 has been restricted for the Maintenance Reserve account; $102,218 is restricted for Unemployment Compensation; $937,233 is restricted for excess surplus; $1,005,560 is restricted for excess surplus – designated for subsequent year's expenditures; $217,130 has been assigned as designated for subsequent year's expenditures; $220,847 has been reserved for encumbrances; and $426,853 is unassigned.

Special Revenue Fund – Of the $29,125 Special Revenue Fund fund balance at June 30, 2024, $26,262 is restricted for student activities and $2,863 is restricted for scholarships.

Capital Projects Fund – Of the $150,000 Capital Projects Fund fund balance at June 30, 2024, $150,000 is assigned to other purposes.

Note 21. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of $(794,356) at June 30, 2024. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2024.

Note 22. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2024 and January 14, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure, other than the following:

- On January 7, 2025, the District authorized a resolution approving the submission of a proposal to the voters of the School District at a special election to be held on Tuesday, March 11, 2025. The District has determined to undertake a capital project, including various improvements to its facilities and the acquisition of various equipment and other related improvements. The District must issue school bonds in order to finance the costs of this project. Total appropriations for the projects set forth in the proposal shall not exceed $14,124,526.

REQUIRED SUPPLEMENTARY INFORMATION-PART II

This page intentionally left blank.

C. Budgetary Comparison Schedules

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	$ 12,495,999	$ -	$ 12,495,999	$ 12,495,999	$ -
Tuition	10-1300	5,000	-	5,000	6,000	1,000
Interest Earned on Maintenance Reserve	10-xxxx	5,000	-	5,000	5,000	-
Interest Earned on Capital Reserve	10-1500	5,000	-	5,000	5,000	-
Unrestricted Miscellaneous Revenues	10-1900	56,200	-	56,200	358,628	302,428
Total Local Sources		12,567,199	-	12,567,199	12,870,627	303,428
State Sources:						
Categorical Special Education Aid	10-3132	489,699	-	489,699	489,699	-
Equalization Aid	10-3176	278,254	-	278,254	278,254	-
Categorical Security Aid	10-3177	94,037	-	94,037	94,037	-
Categorical Transportation Aid	10-3121	420,886	-	420,886	420,886	-
Extraordinary Aid	10-3131	36,701	-	36,701	239,364	202,663
Nonpublic Transportation Aid	10-3XXX	-	-	-	18,200	18,200
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	2,222,650	2,222,650
On-Behalf TPAF Post Retirement Medical Contributions		-	-	-	604,924	604,924
On-Behalf TPAF Long-Term Disability Insurance		-	-	-	1,153	1,153
Reimbursed TPAF Social Security Contributions		-	-	-	455,150	455,150
Total State Sources		1,319,577	-	1,319,577	4,824,317	3,504,740
Federal Sources:						
Medicaid Reimbursement	10-4200	28,052	-	28,052	14,860	(13,192)
Total Federal Sources		28,052	-	28,052	14,860	(13,192)
Total Revenues		13,914,828	-	13,914,828	17,709,804	3,794,976
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool/Kindergarten	11-110-100-101	334,519	-	334,519	334,049	470
Grades 1 - 5	11-120-100-101	1,626,526	-	1,626,526	1,601,168	25,358
Grades 6 - 8	11-130-100-101	1,131,946	461	1,132,407	1,128,901	3,506
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	6,180	(461)	5,719	5,719	-
Purchased Professional/Educational Services	11-150-100-320	500	-	500	-	500
Regular Programs - Undistributed Instruction:						
Purchased Professional/Educational Services	11-190-100-320	688,388	(103,277)	585,111	543,664	41,447
Other Purchased Services	11-190-100-500	40,000	44,946	84,946	84,860	86
General Supplies	11-190-100-610	177,563	23,473	201,036	176,314	24,722
Textbooks	11-190-100-640	44,768	68,295	113,063	110,683	2,380
Other Objects	11-190-100-800	41,115	29,632	70,747	27,142	43,605
Total Regular Programs		4,091,505	63,069	4,154,574	4,012,500	142,074
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	300,562	-	300,562	298,337	2,225
Purchased Profess. & Educ. Services	11-204-100-320	60,158	-	60,158	60,158	-
Total Learning and/or Language Disabilities		360,720	-	360,720	358,495	2,225
Resource Room/ Resource Center:						
Salaries of Teachers	11-213-100-101	1,041,163	-	1,041,163	1,024,619	16,544
Purchased Professional/Educational Services	11-213-100-320	87,565	-	87,565	72,544	15,021
Total Resource Room		1,128,728	-	1,128,728	1,097,163	31,565
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	56,931	-	56,931	56,931	-
Other Salaries for Instruction	11-215-100-106	4,264	-	4,264	-	4,264
Purchased Profess. & Educ. Services	11-215-100-320	27,281	-	27,281	27,281	-
General Supplies	11-215-100-600	952	-	952	353	599
Total Preschool Disabilities - Part-Time		89,428	-	89,428	84,565	4,863
Total Special Education		1,578,876	-	1,578,876	1,540,223	38,653

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	431,832	-	431,832	390,251	41,581
Purchased Professional/Educational Services	11-230-100-320	1,370	353	1,723	750	973
General Supplies	11-230-100-610	505	-	505	-	505
Total Basic Skills/Remedial		433,707	353	434,060	391,001	43,059
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	68,037	-	68,037	33,969	34,068
Supplies & Materials	11-401-100-600	35,079	1,475	36,554	19,081	17,473
Total School Sponsored Cocurricular Activities		103,116	1,475	104,591	53,050	51,541
School Sponsored Athletics:						
Salaries	11-402-100-100	75,666	-	75,666	57,015	18,651
Purchased Services	11-402-100-500	16,144	(6,572)	9,572	7,647	1,925
Supplies & Materials	11-402-100-600	2,498	7,538	10,036	6,493	3,543
Total School Sponsored Athletics		94,308	966	95,274	71,155	24,119
Other Instruction Programs						
Salaries	11-422-100-10x	75,138	5,451	80,589	66,008	14,581
Purchased Services	11-422-100-300	17,701	(5,453)	12,248	2,205	10,043
Total Other Instructional Programs		92,839	(2)	92,837	68,213	24,624
Total - Instruction		6,394,351	65,861	6,460,212	6,136,142	324,070
Undistributed Expenditures:						
Instruction:						
Tuition to CSSD & Regional Day Schools	11-000-100-565	501,770	-	501,770	361,874	139,896
Tuition to Private Schools for the Handicapped - State	11-000-100-566	264,144	-	264,144	150,484	113,660
Tuition - Other	11-000-100-569	-	41,000	41,000	17,060	23,940
Total Instruction		765,914	41,000	806,914	529,418	277,496
Attendance & Social Work Services:						
Salaries	11-000-211-100	20,000	-	20,000	20,000	-
Purchased Profess & Technical Services	11-000-211-300	3,000	(972)	2,028	-	2,028
Total Attendance & Social Work Services		23,000	(972)	22,028	20,000	2,028
Health Services:						
Salaries	11-000-213-100	142,618	5,775	148,393	146,980	1,413
Purchased Professional & Technical Services	11-000-213-300	5,500	(4,001)	1,499	1,499	-
Supplies and Materials	11-000-213-600	5,000	945	5,945	5,945	-
Total Health Services		153,118	2,719	155,837	154,424	1,413
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	229,993	-	229,993	229,993	-
Purchased Professional/Educational Services	11-000-216-320	142,772	(92,984)	49,788	49,286	502
Supplies & Materials	11-000-216-600	6,232	(5)	6,227	5,488	739
Total Other Services - Students - Related Services		378,997	(92,989)	286,008	284,767	1,241
Other Support Services - Students - Extra Services:						
Purchased Professional Services	11-000-217-320	464,882	(450)	464,432	464,432	-
Supplies & Materials	11-000-217-600	-	93,000	93,000	81,533	11,467
Total Other Services - Students - Related Services		464,882	92,550	557,432	545,965	11,467
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	200,462	(4,177)	196,285	181,997	14,288
Purchased Professional/Educational Services	11-000-218-320	4,600	-	4,600	-	4,600
Purchased Professional & Technical Services	11-000-218-390	8,900	-	8,900	123	8,777
Supplies & Materials	11-000-218-600	1,000	500	1,500	489	1,011
Other Objects	11-000-218-800	600	(1)	599	-	599
Total Other Support Services - Students - Regular		215,562	(3,678)	211,884	182,609	29,275

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	381,779	(370,739)	11,040	11,039	1
Salaries of Secretarial & Clerical Assistants	11-000-219-105	46,289	-	46,289	46,289	-
Other Salaries	11-000-219-110	-	321,382	321,382	321,382	-
Purchased Professional/Educational Services	11-000-219-320	3,000	64,433	67,433	64,432	3,001
Supplies & Materials	11-000-219-600	7,525	(5,147)	2,378	2,378	-
Other Objects	11-000-219-800	3,000	(629)	2,371	2,316	55
Total Other Support Services - Students - Special Services		441,593	9,300	450,893	447,836	3,057
Improvement of Instructional Staff						
Salaries of Supervisors of Instruction	11-000-221-102	72,737	1,763	74,500	74,500	-
Salaries of Secretarial & Clerical Assistants	11-000-221-105	54,206	-	54,206	54,206	-
Purchased Professional/Educational Services	11-000-221-320	20,888	-	20,888	20,888	-
Purchased Professional & Technical Services	11-000-221-390	4,800	-	4,800	4,100	700
Total Instructional Staff Training		152,631	1,763	154,394	153,694	700
Educational Media Services/School Library:						
Salaries	11-000-222-100	88,600	-	88,600	88,600	-
Purchased Professional & Technical Services	11-000-222-300	37,421	(37,421)	-	-	-
Supplies and Materials	11-000-222-600	12,000	37,421	49,421	20,721	28,700
Total Educational Media Services/School Library		138,021	-	138,021	109,321	28,700
Instructional Staff Training:						
Salaries of Supervisors of Instruction	11-000-223-102	72,737	3,338	76,075	74,500	1,575
Other Objects	11-000-223-800	47,425	(9,050)	38,375	20,272	18,103
Total Instructional Staff Training		120,162	(5,712)	114,450	94,772	19,678
Support Services General Administration:						
Salaries	11-000-230-100	207,366	12,468	219,834	219,383	451
Legal Services	11-000-230-331	40,000	4,627	44,627	44,627	-
Audit Fees	11-000-230-332	32,500	3,501	36,001	36,000	1
Architectural/Engineering Services	11-000-230-334	5,000	(457)	4,543	3,713	830
Communications/Telephone	11-000-230-530	33,000	167	33,167	33,167	-
Other Purchased Services	11-000-230-590	26,958	(3,492)	23,466	23,466	-
General Supplies	11-000-230-610	1,800	-	1,800	1,732	68
Miscellaneous Expenditures	11-000-230-890	25,000	63	25,063	24,792	271
BOE Membership Dues & Fees	11-000-230-895	6,500	281	6,781	6,781	-
Total Support Services General Administration		378,124	17,158	395,282	393,661	1,621
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	375,166	(11,304)	363,862	317,056	46,806
Salaries of Secretarial & Clerical Assistants	11-000-240-105	112,646	3,943	116,589	116,487	102
Other Purchased Services	11-000-240-500	400	(352)	48	-	48
Supplies and Materials	11-000-240-600	14,399	(772)	13,627	8,719	4,908
Other Objects	11-000-240-800	6,000	(2,741)	3,259	2,898	361
Total Support Services School Administration		508,611	(11,226)	497,385	445,160	52,225
Central Services:						
Salaries	11-000-251-100	253,825	449	254,274	254,274	-
Purchased Professional Services	11-000-251-330	25,259	983	26,242	23,414	2,828
Supplies and Materials	11-000-251-600	5,000	1,822	6,822	6,810	12
Miscellaneous Expenditures	11-000-251-890	2,700	(399)	2,301	1,771	530
Total Central Services		286,784	2,855	289,639	286,269	3,370
Administrative Information Technology:						
Salaries	11-000-252-100	2,015	-	2,015	2,015	-
Purchased Professional Services	11-000-252-330	110,000	-	110,000	93,552	16,448
Purchased Technical Services	11-000-252-340	5,000	-	5,000	-	5,000
Total Administrative Information Technology		117,015	-	117,015	95,567	21,448
Interest Earned on Current Expense						
Maintenance Reserve	10-606	5,000	-	5,000	-	5,000
Total Interest Earned on Current Expense		5,000	-	5,000	-	5,000

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Allowable Maintenance for School Facilities:						
Cleaning, Repair & Maintenance Services	11-000-261-420	104,000	49,071	153,071	118,969	34,102
Supplies	11-000-261-610	15,000	-	15,000	14,847	153
Other Objects	11-000-261-800	7,500	6,000	13,500	11,775	1,725
Total Allowable Maintenance for School Facilities		126,500	55,071	181,571	145,591	35,980
Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	566,370	(496,751)	69,619	69,366	253
Salaries - Aides	11-000-262-107	74,775	497,435	572,210	559,565	12,645
Purchased Professional & Technical Services	11-000-262-300	1,500	(175)	1,325	1,325	-
Cleaning, Repair & Maintenance Services	11-000-262-420	46,305	9,444	55,749	55,749	-
Lease Purchase Payments - Energy Savings Impr Program	11-000-262-444	15,000	(15,000)	-	-	-
Other Purchased Property Services	11-000-262-490	33,075	35,607	68,682	68,432	250
Insurance	11-000-262-520	37,789	(1,387)	36,402	36,402	-
General Supplies	11-000-262-610	80,000	431	80,431	79,915	516
Energy (Natural Gas)	11-000-262-621	70,000	(4,148)	65,852	51,910	13,942
Energy (Electricity)	11-000-262-622	265,650	-	265,650	251,297	14,353
Other Objects	11-000-262-800	1,000	(582)	418	400	18
Total Operation & Maintenance of Plant Services		1,191,464	24,874	1,216,338	1,174,361	41,977
Student Transportation Services:						
Contracted Services - (Aid in Lieu of Payments)	11-000-270-503	38,000	13,260	51,260	51,260	-
Contracted Services (Between Home & School) - Vendors	11-000-270-511	740,000	(13,260)	726,740	691,612	35,128
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	25,020	-	25,020	23,675	1,345
Contracted Services - (Jointures Special Education)	11-000-270-515	298,530	16,000	314,530	180,721	133,809
Other Objects	11-000-270-800	3,750	-	3,750	3,550	200
Total Student Transportation Services		1,105,300	16,000	1,121,300	950,818	170,482
Unallocated Benefits - Employee Benefits:						
Group Insurance	11-000-291-210	-	2,140	2,140	2,119	21
Social Security - Other	11-000-291-220	95,728	32,032	127,760	127,760	-
Other Retirement Contributions-PERS	11-000-291-241	166,638	3,750	170,388	170,388	-
Workmen's Compensation	11-000-291-260	76,081	(248)	75,833	75,833	-
Health Benefits	11-000-291-270	1,495,657	112,117	1,607,774	1,605,950	1,824
Tuition Reimbursement	11-000-291-280	22,500	(7,861)	14,639	14,639	-
Other Employee Benefits	11-000-291-290	66,500	(66,000)	500	450	50
Total Unallocated Benefits - Employee Benefits		1,923,104	75,930	1,999,034	1,997,139	1,895
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	2,222,650	(2,222,650)
On-Behalf TPAF Post Retirement Medical Contributions		-	-	-	604,924	(604,924)
On-Behalf TPAF Long-Term Disability Insurance		-	-	-	1,153	(1,153)
Reimbursed TPAF Social Security Contributions		-	-	-	455,150	(455,150)
Total Undistributed Expenditures		8,495,782	224,643	8,720,425	11,295,249	(2,574,824)
Total Expenditures - Current Expense		14,890,133	290,504	15,180,637	17,431,391	(2,250,754)
Capital Outlay:						
Equipment:						
Undist. Expend. Required Maint for School Fac.	12-000-261-730	-	30,188	30,188	12,707	17,481
Total Equipment		-	30,188	30,188	12,707	17,481
Facilities Acquisition & Construction Services:						
Assessment for Debt Service on SDA Funding	12-000-400-896	23,805	-	23,805	23,805	-
Total Facilities Acquisition & Construction Services		23,805	-	23,805	23,805	-
Interest Deposit to Capital Reserve	10-604	5,000	-	5,000	-	5,000
Total Capital Outlay		28,805	30,188	58,993	36,512	22,481
Transfers to Charter Schools		28,075	-	28,075	19,303	8,772
Total Expenditures		14,947,013	320,692	15,267,705	17,487,206	(2,219,501)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/ (Uses)		(1,032,185)	(320,692)	(1,352,877)	222,598	1,575,475

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Other Financing Sources/ (Uses)						
Operating Transfers in - Capital Projects		-	-	-	846	846
Capital Reserve - Transfer to Capital Projects	12-000-400-931	(150,000)	-	(150,000)	(150,000)	-
Total Other Financing Sources/(Uses)		(150,000)	-	(150,000)	(149,154)	846
Excess/(Deficiency) of Revenues and Other Financing Sources						
Over/(Under) Expenditures and Other Financing Uses		(1,182,185)	(320,692)	(1,502,877)	73,444	1,576,321
Fund Balances, July 1		4,920,510	-	4,920,510	4,920,510	-
Fund Balances, June 30		$ 3,738,325	$ (320,692)	$ 3,417,633	$ 4,993,954	$ 1,576,321

RECAPITULATION OF BUDGET TRANSFERS:

Prior Year Reserve for Encumbrances	$ 290,504
Withdrawal from Maintenance Reserve	30,188
Total Budget Transfers	$ 320,692

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Capital Reserve	$ 957,311
Emergency Reserve	250,000
Maintenance Reserve	795,725
Unemployment Compensation	102,218
Excess Surplus	937,233
Reserved Excess Surplus Designated for Subsequent Year's Expenditures	1,005,560
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	217,130
Year-end Encumbrances	220,847
Unassigned Fund Balance	507,930
Subtotal	4,993,954
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	(81,077)
Fund Balance per Governmental Funds (GAAP)	$ 4,912,877

EXHIBIT C-2

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Local Sources	$ -	$ 88,363	$ 88,363	$ 82,475	$ (5,888)
State Sources	-	37,747	37,747	37,747	-
Federal Sources	477,051	248,019	725,070	618,914	(106,156)
Total Revenues	477,051	374,129	851,180	739,136	(112,044)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	286,150	(105,963)	180,187	99,911	80,276
Purchased Professional Education Services	11,563	72,039	83,602	83,602	-
Tuition	171,688	41,972	213,660	213,660	-
Supplies	7,650	60,712	68,362	64,833	3,529
Total Instruction	477,051	68,760	545,811	462,006	83,805
Support Services:					
Employee Benefits	-	51,215	51,215	32,817	18,398
Purchased Professional Education Services	-	32,291	32,291	30,897	1,394
Other Purchased Serices	-	95,003	95,003	93,875	1,128
Supplies	-	101,860	101,860	98,396	3,464
Student Activities	-	25,000	25,000	11,818	13,182
Total Support Services	-	305,369	305,369	267,803	37,566
Total Expenditures	477,051	374,129	851,180	729,809	121,371
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	9,327	9,327
Fund Balance, July 1	19,798	-	19,798	19,798	-
Fund Balance, June 30	$ 19,798	$ -	$ 19,798	$ 29,125	$ 9,327

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Scholarships	$ 2,863
Student Activities	26,262
	$ 29,125

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" From the Budgetary Comparison Schedule (C-Series)	$ 17,709,804	$ 739,136
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	92,601	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(81,077)	-
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.		
Current Year	-	(33,156)
Prior Year	-	14,543
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	$ 17,721,328	$ 720,523
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 17,487,206	$ 729,809
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.	-	(18,613)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	$ 17,487,206	$ 711,196

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank.

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

This page intentionally left blank.

EXHIBIT L-1

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.012281%	0.012323%	0.010940%	0.011483%	0.010473%	0.010787%	0.014580%	0.014067%	0.014058%	0.013659%
School District's proportionate share of the net pension liability	$ 1,778,805	$ 1,859,783	$ 1,296,006	$ 1,872,603	$ 1,887,049	$ 2,123,831	$ 3,394,088	$ 4,166,101	$ 3,155,841	$ 2,557,410
School District's covered payroll	$ 941,876	$ 932,298	$ 900,726	$ 792,473	$ 764,161	$ 702,488	$ 1,005,656	$ 960,517	$ 964,241	$ 925,671
School District's proportionate share of the net pension liability as a percentage of its covered payroll	188.86%	199.48%	143.88%	236.30%	246.94%	302.33%	337.50%	433.74%	327.29%	276.28%
Plan fiduciary net position as a percentage of the total pension liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

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

EXHIBIT L-2

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's contractually required contribution	$ 164,137	$ 155,405	$ 128,120	$ 125,620	$ 101,780	$ 107,292	$ 135,072	$ 124,965	$ 120,865	$ 112,606
Contributions in relation to the contractually required contribution	(164,137)	(155,405)	(128,120)	(125,620)	(101,780)	(107,292)	(135,072)	(124,965)	(120,865)	(112,606)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 884,363	$ 941,876	$ 932,298	$ 900,726	$ 792,473	$ 764,161	$ 702,488	$ 1,005,656	$ 960,517	$ 964,241
Contributions as a percentage of covered payroll	18.56%	16.50%	13.74%	13.95%	12.84%	14.04%	19.23%	12.43%	12.58%	11.68%

EXHIBIT L-3

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
School District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with the School District	27,820,538	27,591,784	26,414,607	37,785,436	33,230,712	35,419,453	38,061,668	44,745,283	36,359,168	31,641,997
	$ 27,820,538	$ 27,591,784	$ 26,414,607	$ 37,785,436	$ 33,230,712	$ 35,419,453	$ 38,061,668	$ 44,745,283	$ 36,359,168	$ 31,641,997
School District's covered payroll	$ 6,180,937	$ 6,035,660	$ 5,962,416	$ 6,022,636	$ 5,865,497	$ 5,815,216	$ 5,748,143	$ 5,691,902	$ 5,464,226	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

This page intentionally left blank.

M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SEVEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability							
Service Cost	$ 1,091,559	$ 1,427,362	$ 1,739,580	$ 1,001,957	$ 796,188	$ 1,047,855	$ 1,267,493
Interest Cost	1,140,788	849,293	972,451	937,791	1,127,223	1,256,773	1,089,007
Differences Between Expected and Actual Experiences	(1,093,606)	1,695,150	(7,189,668)	7,539,022	(4,101,692)	(3,976,061)	-
Changes of Benefit Terms	-	-	(39,900)	-	-	-	-
Changes of Assumptions	65,288	(8,597,023)	36,984	7,801,406	389,891	(3,295,395)	(4,488,144)
Contributions: Member	29,234	26,988	24,861	22,536	23,795	26,539	29,361
Gross Benefit Payments	(889,263)	(841,250)	(766,019)	(743,523)	(802,711)	(767,877)	(797,355)
Net Change in District's Total OPEB Liability	344,000	(5,439,480)	(5,221,711)	16,559,189	(2,567,306)	(5,708,166)	(2,899,638)
District's Total OPEB Liability (Beginning)	32,047,477	37,486,957	42,708,668	26,149,479	28,716,785	34,424,951	37,324,589
District's Total OPEB Liability (Ending)	$ 32,391,477	$ 32,047,477	$ 37,486,957	$ 42,708,668	$ 26,149,479	$ 28,716,785	$ 34,424,951
District's Covered Employee Payroll	$ 7,122,813	$ 6,967,958	$ 6,863,142	$ 6,815,109	$ 6,629,658	$ 6,517,704	$ 6,753,799
District's Net OPEB Liability as a Percentage of Payroll	455%	460%	546%	627%	394%	441%	510%

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

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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2024

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.54% as of June 30, 2022, to 3.65% as of June 30, 2023.

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank.

E. Special Revenue Fund

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2024

	EVERY STUDENT SUCCEEDS ACT			I.D.E.A.		C.R.R.S.A. ACT			AMERICAN RESCUE PLAN							OTHER			
	TITLE I - PART A	TITLE II - PART A	TITLE IV	BASIC	PRESCHOOL	ESSER II	LEARNING ACCEL.	MENTAL HEALTH	ESSER III	ACCEL. LEARNING	SUMMER LEARNING	BEYOND SCHOOL	MENTAL HEALTH	EMERGENT & CAP. NEEDS	STAR FOUNDATION	LOCAL GRANTS	STUDENT ACTIVITIES	SCHOLARSHIP	TOTALS
Revenues:																			
Federal Sources	$ 71,301	$ 16,910	$ 9,881	$ 213,660	$ 13,602	$ 9,996	$ 6,464	$ 18,022	$ 153,348	$ 47,528	$ 10,043	$ 33,966	$ 14,193	$ -	$ -	$ -	$ -	$ -	$ 618,914
State Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	37,747	-	-	-	-	37,747
Local Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,202	14,128	21,133	12	82,475
Total Revenues	71,301	16,910	9,881	213,660	13,602	9,996	6,464	18,022	153,348	47,528	10,043	33,966	14,193	37,747	47,202	14,128	21,133	12	739,136
Expenditures:																			
Instruction:																			
Salaries of Teachers	50,455	-	-	-	-	-	-	-	5,447	-	10,043	33,966	-	-	-	-	-	-	99,911
Other Ed. Services	-	-	-	-	13,602	-	-	-	70,000	-	-	-	-	-	-	-	-	-	83,602
Tuition	-	-	-	213,660	-	-	-	-	-	-	-	-	-	-	-	-	-	-	213,660
Supplies	7,750	-	9,881	-	-	-	-	-	-	-	-	-	-	-	47,202	-	-	-	64,833
Total Instruction	58,205	-	9,881	213,660	13,602	-	-	-	75,447	-	10,043	33,966	-	-	47,202	-	-	-	462,006
Support Services:																			
Employee Benefits	13,096	-	-	-	-	-	-	-	-	5,528	-	-	14,193	-	-	-	-	-	32,817
Purchased Professional Education Services	-	16,910	-	-	-	-	-	6,500	7,487	-	-	-	-	-	-	-	-	-	30,897
Other Purchase Services	-	-	-	-	-	-	-	-	-	42,000	-	-	-	37,747	-	14,128	-	-	93,875
Supplies	-	-	-	-	-	9,996	6,464	11,522	70,414	-	-	-	-	-	-	-	-	-	98,396
Student Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,818	-	11,818
Total Support Services	13,096	16,910	-	-	-	9,996	6,464	18,022	77,901	47,528	-	-	14,193	37,747	-	14,128	11,818	-	267,803
Total Expenditures	71,301	16,910	9,881	213,660	13,602	9,996	6,464	18,022	153,348	47,528	10,043	33,966	14,193	37,747	47,202	14,128	11,818	-	729,809
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,315	12	9,327
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,947	2,851	19,798
Fund Balance, June 30	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 26,262	$ 2,863	$ 29,125

This page intentionally left blank.

F. Capital Projects Fund

This page intentionally left blank.

EXHIBIT F-1

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2024

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE PRIOR YEARS	EXPENDITURES TO DATE CURRENT YEAR	UNEXPENDED BALANCE 2024
Doors, Fire Alarm System and Cameras Replacement	7/1/2022	$ 95,390	$ 88,745	$ 6,645	$ -
School #2 - Parking Lot Replacement	7/1/2023	150,000	-	-	150,000
Total		$ 245,390	$ 88,745	$ 6,645	$ 150,000

EXHIBIT F-2

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2024

Revenues and Other Financing Sources:		
Interest Earnings	$	846
Transfer from Capital Reserve		150,000
Total Revenues		150,846
Expenditures and Other Financing Uses:		
Construction Services		6,645
Total Expenditures		6,645
Other Financing Sources/(Uses):		
Transfer to Capital Reserve		(846)
TotalOther Financing Sources/(Uses):		(846)
Excess (deficiency) of revenues over (under) expenditures		143,355
Fund Balance - Beginning		6,645
Fund Balance - Ending	$	150,000

EXHIBIT F-2a

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
DOORS, FIRE ALARM SYSTEM AND CAMERAS REPLACEMENT
FOR FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfers from Capital Outlay	$ 95,390	$ -	$ 95,390	$ 95,390
Total Revenues	95,390	-	95,390	95,390
Expenditures & Other Financing Uses:				
Construction Services	88,745	6,645	95,390	95,390
Total Expenditures	88,745	6,645	95,390	95,390
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	$ 6,645	$ (6,645)	$ -	$ -

ADDITIONAL PROJECT INFORMATION

Original Authorized Cost	$ 128,500
Additional Authorized Cost	(33,110)
Revised Authorized Cost	$ 95,390
Percentage Increase Over Original Authorized Cost	n/a
Percentage Completion	100.00%
Original Target Completion Date	June 30, 2023

EXHIBIT F-2b

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
SCHOOL #2 - PARKING LOT REPLACEMENT
FOR FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfers from Capital Outlay	$ -	$ 150,000	$ 150,000	$ 150,000
Total Revenues	-	150,000	150,000	150,000
Expenditures & Other Financing Uses:				
Construction Services	-	-	-	150,000
Total Expenditures	-	-	-	150,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	$ -	$ 150,000	$ 150,000	$ -

ADDITIONAL PROJECT INFORMATION

Original Authorized Cost	$ 150,000
Additional Authorized Cost	-
Revised Authorized Cost	$ 150,000
Percentage Increase Over Original Authorized Cost	n/a
Percentage Completion	0.00%
Original Target Completion Date	June 30, 2024

I. Long Term Debt

This page intentionally left blank.

EXHIBIT I-1

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF SERIAL BONDS
JUNE 30, 2024

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2023	RETIRED	BALANCE JUNE 30, 2024
School Bond, Series 2014	9/1/14	$ 4,521,000	09/01/24	$ 520,000	2.250%	$ 1,070,000	$ 550,000	$ 520,000
					Total	$ 1,070,000	$ 550,000	$ 520,000

EXHIBIT I-3

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 2024

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	$ 477,126	$ -	$ 477,126	$ 477,126	$ -
Total Revenues	477,126	-	477,126	477,126	-
Expenditures:					
Regular Debt Service:					
Interest	17,888	-	17,888	17,888	-
Redemption of Principal	550,000	-	550,000	550,000	-
Total Expenditures	567,888	-	567,888	567,888	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(90,762)	-	(90,762)	(90,762)	-
Fund Balance, July 1	90,762	-	90,762	90,762	-
Fund Balance, June 30	$ -	$ -	$ -	$ -	$ -

EXHIBIT I-4

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

DESCRIPTION	DATE	TERM	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	BALANCE JUNE 30, 2023	ISSUED	RETIRED	BALANCE JUNE 30, 2024
Curriculum Software - Math	7/1/2023	24 Months	0.000%	-	$ 84,609	$ -	$ 84,609	$ -
			Total		$ 84,609	$ -	$ 84,609	$ -

This page intentionally left blank.

STATISTICAL SECTION (unaudited)

This page intentionally left blank.

Financial Trends Information

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

This page intentionally left blank.

EXHIBIT J-1

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities:										
Net Investment in Capital Assets	$ 16,398,701	$ 16,687,103	$ 21,721,295	$ 21,746,031	$ 21,384,792	$ 20,539,042	$ 19,572,710	$ 18,804,050	$ 15,711,126	$ 15,099,474
Restricted	4,077,172	3,724,123	3,316,186	2,932,244	2,101,624	1,878,451	1,861,004	1,687,156	2,979,745	795,156
Unrestricted	(794,356)	(849,305)	(1,327,968)	(2,110,955)	(2,638,870)	(3,047,976)	(3,203,584)	(2,978,941)	(2,832,869)	(2,778,573)
Total Governmental Activities Net Position	$ 19,681,517	$ 19,561,921	$ 23,709,513	$ 22,567,320	$ 20,847,546	$ 19,369,517	$ 18,230,130	$ 17,512,265	$ 15,858,002	$ 13,116,057
Business-Type Activities:										
Net Investment in Capital Assets	$ 19,328	$ 23,671	$ 98,034	$ 101,034	$ 104,034	$ 107,034	$ 110,034	$ 113,034	$ 116,034	$ 119,035
Unrestricted	110,353	119,558	98,613	14,393	14,609	36,940	26,652	16,088	1,741	1,138
Total Business-Type Activities Net Position	$ 129,681	$ 143,229	$ 196,647	$ 115,427	$ 118,643	$ 143,974	$ 136,686	$ 129,122	$ 117,775	$ 120,173
Government-Wide:										
Net Investment in Capital Assets	$ 16,418,029	$ 16,710,774	$ 21,819,329	$ 21,847,065	$ 21,488,826	$ 20,646,076	$ 19,682,744	$ 18,917,084	$ 15,827,160	$ 15,218,509
Restricted	4,077,172	3,724,123	3,316,186	2,932,244	2,101,624	1,878,451	1,861,004	1,687,156	2,979,745	795,156
Unrestricted	(684,003)	(729,747)	(1,229,355)	(2,096,562)	(2,624,261)	(3,011,036)	(3,176,932)	(2,962,853)	(2,831,128)	(2,777,435)
Total District Net Position	$ 19,811,198	$ 19,705,150	$ 23,906,160	$ 22,682,747	$ 20,966,189	$ 19,513,491	$ 18,366,816	$ 17,641,387	$ 15,975,777	$ 13,236,230

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
Governmental Activities										
Instruction:										
Regular	$ (4,187,581)	$ (3,836,214)	$ (3,704,447)	$ (4,077,977)	$ (4,052,413)	$ (4,067,284)	$ (4,112,711)	$ (5,675,307)	$ (5,607,800)	$ (5,653,289)
Special Education	(1,540,223)	(1,543,706)	(1,528,009)	(1,449,354)	(1,385,534)	(1,253,158)	(1,327,812)	(1,208,338)	(1,280,612)	(1,238,381)
Other Special Education	(583,419)	(672,840)	(658,926)	(303,684)	(501,479)	(611,666)	(639,691)	(663,887)	(599,118)	(576,224)
Other Instruction	-	-	-	-	-	-	-	-	(6,439)	(10,647)
Support Services & Undistributed Costs:										
Tuition	(743,078)	(857,385)	(905,785)	(898,801)	(824,758)	(1,002,717)	(777,252)	(546,451)	(462,863)	(631,149)
Student & Instruction Related Services	(2,231,234)	(2,014,237)	(2,035,979)	(1,809,231)	(1,739,133)	(1,688,284)	(1,725,221)	(1,639,258)	(1,437,611)	(1,343,590)
General Administrative Services	(393,661)	(362,068)	(371,216)	(379,814)	(382,807)	(381,397)	(363,527)	(392,521)	(380,660)	(399,826)
Administrative Information Technology	(95,567)	(109,736)	(110,231)	(100,763)	(109,878)	(58,865)	(67,592)	(120,470)	(101,032)	(106,816)
School Administrative Services	(445,160)	(483,280)	(476,616)	(497,109)	(476,205)	(454,122)	(448,063)	(594,096)	(682,249)	(626,559)
Central Services	(286,269)	(269,868)	(267,998)	(253,922)	(246,711)	(270,100)	(343,225)	(342,386)	(329,608)	(321,377)
Plant Operations & Maintenance	(1,339,304)	(1,179,718)	(1,084,901)	(1,154,842)	(1,332,630)	(1,153,651)	(987,771)	(1,146,193)	(1,079,538)	(1,031,091)
Pupil Transportation	(950,818)	(924,855)	(659,748)	(608,066)	(623,571)	(709,242)	(667,771)	(622,201)	(626,309)	(571,828)
Unallocated Benefits	(2,239,850)	(2,328,645)	(3,410,939)	(3,515,545)	(1,647,390)	(2,887,971)	(4,030,482)	(204,158)	(3,311,844)	(2,641,319)
On Behalf TPAF Pension and Social Security Contributions	(1,139,773)	(1,197,143)	(1,062,112)	(2,780,568)	(2,394,084)	(2,496,847)	(3,060,606)	(1,574,195)	-	-
Transfer to Charter Schools	-	-	(27,270)	-	-	-	(10,916)	-	-	-
Interest & Other Charges	(37,568)	(49,828)	(61,515)	(73,203)	(84,891)	(71,938)	(112,523)	(117,591)	(174,045)	(114,093)
Increase in Compensated Absences - Unallocated	-	-	-	-	-	-	-	-	(12,332)	(1,467)
Unallocated Depreciation	(838,402)	(859,062)	(867,160)	(415,390)	(321,928)	(306,188)	(306,188)	(288,141)	(485,454)	(470,701)
Unallocated Amortization	(31,834)	(31,834)	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	(17,103,044)	(16,720,419)	(17,232,852)	(18,318,269)	(16,123,412)	(17,413,430)	(18,981,351)	(15,135,193)	(16,577,514)	(15,738,357)
Business-Type Activities:										
Food Service	(342,067)	(295,936)	(296,731)	(220,338)	(207,936)	(259,736)	(260,411)	(255,303)	(259,152)	(287,737)
Total Business-Type Activities Expense	(342,067)	(295,936)	(296,731)	(220,338)	(207,936)	(259,736)	(260,411)	(255,303)	(259,152)	(287,737)
Total District Expenses	$ (17,445,111)	$ (17,016,355)	$ (17,529,583)	$ (18,538,607)	$ (16,331,348)	$ (17,673,166)	$ (19,241,762)	$ (15,390,496)	$ (16,836,666)	$ (16,026,094)
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	$ 2,307,217	$ 2,636,320	$ 3,386,890	$ 5,166,015	$ 2,971,639	$ 3,797,825	$ 5,292,888	$ 1,911,146	$ 3,530,000	$ 2,913,068
Total Governmental Activities Program Revenues	2,307,217	2,636,320	3,386,890	5,166,015	2,971,639	3,797,825	5,292,888	1,911,146	3,530,000	2,913,068

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Business-Type Activities:										
Charges for Services:										
Food Service	159,172	154,583	33,899	6,664	93,959	151,567	156,351	147,687	143,082	170,091
Operating Grants & Contributions	160,829	153,624	343,412	209,714	87,609	115,457	111,624	118,963	113,672	107,289
Total Business Type Activities Program Revenues	320,001	308,207	377,311	216,378	181,568	267,024	267,975	266,650	256,754	277,380
Total District Program Revenues	$ 2,627,218	$ 2,944,527	$ 3,764,201	$ 5,382,393	$ 3,153,207	$ 4,064,849	$ 5,560,863	$ 2,177,796	$ 3,786,754	$ 3,190,448
Net (Expense)/Revenue:										
Governmental Activities	$ (14,795,827)	$ (14,084,099)	$ (13,845,962)	$ (13,152,254)	$ (13,151,773)	$ (13,615,605)	$ (13,688,463)	$ (13,224,047)	$ (13,047,514)	$ (12,825,289)
Business-Type Activities	(22,066)	12,271	80,580	(3,960)	(26,368)	7,288	7,564	11,347	(2,398)	(10,357)
Total Government-Wide Net Expense	$ (14,817,893)	$ (14,071,828)	$ (13,765,382)	$ (13,156,214)	$ (13,178,141)	$ (13,608,317)	$ (13,680,899)	$ (13,212,700)	$ (13,049,912)	$ (12,835,646)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	$ 12,495,999	$ 12,491,363	$ 12,246,434	$ 12,006,308	$ 11,770,890	$ 11,540,089	$ 11,240,283	$ 10,802,294	$ 10,590,484	$ 10,456,357
Taxes Levied for Debt Service	477,126	489,158	591,607	603,294	603,294	893,743	889,248	881,657	849,598	469,250
Unrestricted Grants & Contributions	1,566,824	1,601,794	1,834,302	2,008,434	2,120,392	2,229,532	2,244,503	3,127,517	4,268,021	2,301,525
Investment Earnings	-	-	-	-	-	-	-	-	-	1
Miscellaneous Income	375,474	241,158	356,382	184,807	135,226	91,628	32,294	66,842	81,356	90,462
Cancellation of Prior Year Accounts Accounts Receivable	-	(9,249)	(13,322)	-	-	-	-	-	-	-
Loss on Capital Asset Disposal	-	-	(27,248)	-	-	-	-	-	-	-
Total Governmental Activities	14,915,423	14,814,224	14,988,155	14,802,843	14,629,802	14,754,992	14,406,328	14,878,310	15,789,459	13,317,595
Business-Type Activities:										
Interest Earnings	8,518	4,331	640	744	1,037	-	-	-	-	8
Total Business-Type Activities	8,518	4,331	640	744	1,037	-	-	-	-	8
Total Government-Wide	$ 14,923,941	$ 14,818,555	$ 14,988,795	$ 14,803,587	$ 14,630,839	$ 14,754,992	$ 14,406,328	$ 14,878,310	$ 15,789,459	$ 13,317,603
Change in Net Position:										
Governmental Activities	$ 119,596	$ 730,125	$ 1,142,193	$ 1,650,589	$ 1,478,029	$ 1,139,387	$ 717,865	$ 1,654,263	$ 2,741,945	$ 492,306
Business-Type Activities	(13,548)	16,602	81,220	(3,216)	(25,331)	7,288	7,564	11,347	(2,398)	(10,349)
Total District	$ 106,048	$ 746,727	$ 1,223,413	$ 1,647,373	$ 1,452,698	$ 1,146,675	$ 725,429	$ 1,665,610	$ 2,739,547	$ 481,957

EXHIBIT J-3

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund:										
Restricted	$ 4,048,047	$ 3,613,563	$ 3,120,418	$ 2,722,589	$ 1,903,532	$ 1,280,100	$ 1,681,986	$ 1,347,042	$ 1,224,055	$ 827,722
Committed	-	-	-	-	-	-	-	-	35,575	107,347
Assigned	437,977	787,877	579,553	275,796	261,692	143,140	91,761	106,263	4,063	-
Unassigned	426,853	426,469	695,424	624,453	317,341	317,320	245,702	214,903	193,769	104,461
Total General Fund	$ 4,912,877	$ 4,827,909	$ 4,395,395	$ 3,622,838	$ 2,482,565	$ 1,740,560	$ 2,019,449	$ 1,668,208	$ 1,457,462	$ 1,039,530
All Other Governmental Funds:										
Restricted:										
Special Revenue Fund	29,125	19,798	14,245	11,563	-	-	-	-	-	-
Capital Projects Fund	150,000	6,645	-	16,570	16,570	405,142	179,017	338,145	1,802,269	4,854,533
Debt Service Fund	-	90,762	181,523	181,522	181,522	193,209	1	1,969	1,968	17,102
Total All Other Governmental Funds	$ 179,125	$ 117,205	$ 195,768	$ 209,655	$ 198,092	$ 598,351	$ 179,018	$ 340,114	$ 1,804,237	$ 4,871,635

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Tax Levy	$ 12,973,125	$ 12,980,521	$ 12,838,041	$ 12,609,602	$ 12,374,184	$ 12,433,832	$ 12,129,531	$ 11,683,951	$ 11,440,082	$ 10,925,607
Tuition Charges	6,000	5,700	13,300	12,210	5,400	1,800	5,060	2,160	-	3,000
Interest Earnings	-	-	-	-	-	-	-	-	-	1
Miscellaneous	451,949	272,908	366,075	222,242	144,226	116,652	73,177	83,526	81,356	87,462
State Sources	4,873,588	4,889,889	5,017,970	4,565,922	4,310,899	4,241,956	4,047,187	4,695,750	5,696,166	3,517,327
Federal Sources	615,161	807,750	576,115	463,721	331,199	275,209	327,689	324,069	337,202	305,638
Total Revenue	18,919,823	18,956,768	18,811,501	17,873,697	17,165,908	17,069,449	16,582,644	16,789,456	17,554,806	14,839,035
Expenditures:										
Instruction:										
Regular Instruction	4,187,581	3,836,214	3,704,447	4,077,977	4,052,413	4,067,284	4,112,711	5,675,307	5,607,800	5,653,289
Special Education Instruction	1,540,223	1,543,706	1,528,009	1,449,354	1,385,534	1,253,158	1,327,812	1,208,338	1,280,612	1,238,381
Other Special Instruction	583,419	672,840	658,926	303,684	501,479	611,666	639,691	663,887	599,118	576,224
Other Instruction	-	-	-	-	-	-	-	-	6,439	10,647
Support Services:										
Tuition	743,078	857,385	905,785	898,801	824,758	1,002,717	777,252	546,451	462,863	631,149
Student & Instruction Related Services	2,231,234	2,014,237	2,035,979	1,809,231	1,739,133	1,688,284	1,725,221	1,639,258	1,538,643	1,450,406
General Administration Services	393,661	362,068	371,216	379,814	382,807	381,397	363,527	392,521	682,249	626,559
School Administrative Services	445,160	483,280	476,616	497,109	476,205	454,122	448,063	594,096	380,660	399,826
Central Services	286,269	269,868	267,998	253,922	246,711	270,100	343,225	342,386	329,608	321,377
Other Support Services	95,567	109,736	110,231	100,763	109,878	58,865	67,592	120,470	-	-
Plant Operations & Maintenance	1,319,952	1,179,718	1,083,401	1,154,842	1,332,630	1,153,651	987,771	1,146,193	1,079,538	1,031,091
Pupil Transportation	950,818	924,855	659,748	608,066	623,571	709,242	667,771	622,201	626,309	571,828
Unallocated Benefits	1,997,139	2,169,277	2,078,540	1,835,542	1,702,072	1,918,391	1,924,322	342	20,464	20,202
On Behalf TPAF Pension and Social Security Contributions	3,283,877	3,307,677	3,194,760	2,568,513	2,190,507	2,012,424	1,806,092	1,574,195	1,417,254	1,200,789
Transfer to Charter Schools	19,303	-	27,270	-	-	-	-	-	-	-
Capital Outlay	19,352	343,592	321,172	226,629	617,678	453,960	275,512	2,611,727	5,306,016	655,801
Debt Service:										
Principal	634,609	656,396	550,000	550,000	550,000	810,000	790,000	760,000	706,000	415,000
Interest & Other Charges	41,693	53,724	65,411	77,099	88,786	83,744	125,020	145,461	160,699	54,500
Total Expenditures	18,772,935	18,784,573	18,039,509	16,791,346	16,824,162	16,929,005	16,381,582	18,042,833	20,204,272	14,857,069
Excess (Deficiency) of Revenues Over/(Under) Expenditures	146,888	172,195	771,992	1,082,351	341,746	140,444	201,062	(1,253,377)	(2,649,466)	(18,034)

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Other Financing Sources/(Uses):										
Cancellation of Prior Year A/R	-	(9,249)	(13,322)	-	-	-	-	-	-	-
Transfers in	150,846	105,171	94,738	6,919	8,706	-	-	250,000	1,967	313,080
Transfers Out	(150,846)	(105,171)	(94,738)	(6,919)	(8,706)	-	-	(250,000)	(1,967)	(313,080)
Bond Proceeds	-	-	-	-	-	-	-	-	-	4,521,000
SBITA Proceeds (nonbudgeted)	-	191,005	-	-	-	-	-	-	-	-
Total Other Financing Sources/ (Uses)	-	181,756	(13,322)	-	-	-	-	-	-	4,521,000
Net Change in Fund Balances	$ 146,888	$ 353,951	$ 758,670	$ 1,082,351	$ 341,746	$ 140,444	$ 201,062	$ (1,253,377)	$ (2,649,466)	$ 4,502,966
Debt Service as a Percentage of Noncapital Expenditures	3.61%	3.85%	3.47%	3.79%	3.94%	5.42%	5.68%	5.87%	5.82%	3.31%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay

EXHIBIT J-5

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(*Modified Accrual Basis of Accounting)*
Unaudited

FISCAL YEAR ENDING JUNE 30,	INTEREST EARNINGS	TUITION	E-RATE REFUND	OTHR MISCELLANEOUS	TOTAL
2024	$ 276,439	$ 6,000	$ 12,821	$ 79,368	$ 374,628
2023	173,080	5,700	11,280	50,566	240,626
2022	82,407	13,300	4,760	22,777	123,244
2021	108,588	12,210	-	57,090	177,888
2020	78,570	5,400	4,768	37,782	126,520
2019	-	1,800	-	59,126	60,926
2018	-	5,060	-	27,234	32,294
2017	6,067	-	34,855	23,760	64,682
2016	-	-	-	42,267	42,267
2015	-	3,000	-	72,449	75,449
			-		

Source: District records

This page intentionally left blank.

Revenue Capacity Information

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

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS
Unaudited

YEAR ENDED DECEMBER 31,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2024	$ 12,518,800	$ 829,622,900	$ 49,726,150	$ 6,415,500	$ 83,344,350	$ 12,050,600	$ 993,678,300	$ 1,604,722	$ 995,283,022	2.265	$ 1,636,241,082
2023	12,195,800	829,055,500	49,060,350	6,576,100	81,957,050	10,606,500	989,451,300	1,768,991	991,220,291	2.199	1,477,544,045
2022	12,556,300	830,596,600	47,942,150	6,422,900	83,159,850	10,606,500	991,284,300	1,877,602	993,161,902	2.133	1,330,435,002
2021	12,547,500	834,522,600	47,444,100	6,398,900	83,161,350	10,606,500	994,680,950	1,960,614	996,641,564	2.074	1,260,667,517
2020	12,963,900	835,606,600	47,754,500	6,562,200	80,353,000	10,606,500	993,846,700	1,940,716	995,787,416	2.024	1,211,162,687
2019	14,001,600	835,863,700	48,500,000	6,576,000	80,575,700	10,558,500	996,075,500	2,059,854	998,135,354	1.980	1,150,222,259
2018	14,249,700	836,869,100	48,294,500	6,526,200	79,889,500	11,222,600	997,051,600	2,030,828	999,082,428	1.923	1,124,673,188
2017	15,316,800	834,322,300	49,471,000	6,513,400	80,278,900	10,739,300	996,641,700	1,979,748	998,621,448	1.933	1,107,167,513
2016	14,669,400	833,445,300	50,101,500	6,638,600	80,048,800	10,739,300	995,642,900	2,100,580	997,743,480	1.894	1,084,105,945
2015	14,303,000	834,646,800	50,823,800	6,814,200	79,209,300	9,611,500	995,408,600	2,243,724	997,652,324	1.825	1,074,955,292

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.
Reassessment occurs when ordered by the County Board of Taxation
a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
b. Tax rates are per $100
Total Direct School Tax Rate is a combined total of Southampton Township Board of Education and Lenape Regional High School District as detailed in Exhibit J-7

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per $100 of Assessed Value)
Unaudited

YEAR ENDED DECEMBER 31,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE
	SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF SOUTHAMPTON	TOWNSHIP OPEN SPACE	BURLINGTON COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2024	1.307	0.958	2.265	0.435	0.020	0.480	0.041	0.058	3.299
2023	1.319	0.880	2.199	0.427	0.020	0.452	0.042	0.037	3.177
2022	1.308	0.825	2.133	0.408	0.020	0.432	0.038	0.034	3.065
2021	1.280	0.794	2.074	0.408	0.020	0.432	0.038	0.026	2.998
2020	1.259	0.765	2.024	0.408	0.019	0.418	0.038	0.025	2.932
2019	1.245	0.735	1.980	0.409	0.020	0.388	0.037	0.035	2.869
2018	1.230	0.693	1.923	0.409	0.028	0.387	0.035	0.020	2.802
2017	1.200	0.733	1.933	0.408	0.044	0.372	0.035	0.020	2.812
2016	1.162	0.732	1.894	0.394	0.020	0.366	0.034	0.044	2.752
2015	1.128	0.697	1.825	0.373	0.020	0.369	0.035	0.043	2.665

Source: Municipal Tax Collector

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
Unaudited

	2024				2015			
TAXPAYER	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXPAYER	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Mobile Estates of Southampton	$ 10,217,800	1	1.03%	Mobile Estates of Southampton	$ 4,863,600	1	0.49%
Singh Real Estate Ent. Inc.	6,649,000	2	0.67%	Singh Real Estate Ent. Inc.	4,547,900	2	0.46%
Southampton Industrial Park, LLC	4,312,800	3	0.43%	Diamond M. Lumber	3,975,300	3	0.40%
ARA 1869, LLC	3,810,900	4	0.38%	D R Horton	3,388,700	4	0.34%
Diamond M. Lumber	3,688,100	5	0.37%	Verizon - NJ	2,204,732	5	0.22%
Wawa, Inc.	2,798,600	6	0.28%	RCC Properties, Inc	1,390,700	6	0.14%
Prime Storage Southampton, LLC	2,196,200	7	0.22%	SKG Partners, LLC	1,314,800	7	0.13%
RCC Properties, LLC	2,173,300	8	0.22%	Taxpayer #1	1,073,400	8	0.11%
Tax Payer #1	2,144,900	9	0.22%	SKG Partners, LLC	1,061,600	9	0.11%
Sil-Con, Inc.	2,131,300	10	0.21%	Vincentown Enterprises LLC	922,000	10	0.09%
Total	$ 40,122,900		4.03%		$ 24,742,732		2.48%

Source: Municipal Tax Assessor

EXHIBIT J-9

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2024	$ 12,973,125	$ 12,973,125	100.00%	$ -
2023	12,980,521	12,980,521	100.00%	-
2022	12,838,041	12,838,041	100.00%	-
2021	12,609,602	12,609,602	100.00%	-
2020	12,374,184	12,374,184	100.00%	-
2019	12,433,832	12,433,832	100.00%	-
2018	12,432,264	12,432,264	100.00%	-
2017	12,129,531	12,129,531	100.00%	-
2016	11,683,951	11,683,951	100.00%	-
2015	11,440,082	11,440,082	100.00%	-

Source: District Records

Debt Capacity Information

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

This page intentionally left blank.

EXHIBIT J-10

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES GENERAL OBLIGATION BONDS	GOVERNMENTAL ACTIVITIES LOANS PAYABLE	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
2024	$ 520,000	$ -	$ 520,000	unavailable	unavailable
2023	1,070,000	-	1,070,000	unavailable	104
2022	1,620,000	-	1,620,000	0.22%	157
2021	2,170,000	-	2,170,000	0.30%	211
2020	2,720,000	-	2,720,000	0.40%	269
2019	3,270,000	-	3,270,000	0.51%	323
2018	4,080,000	-	4,080,000	0.66%	403
2017	4,870,000	-	4,870,000	0.81%	479
2016	5,630,000	-	5,630,000	0.96%	553
2015	6,336,000	-	6,336,000	1.10%	618

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

EXHIBIT J-11

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING: GENERAL BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF NET VALUATION TAXABLE	PER CAPITA
2024	$ 520,000	$ -	$ 520,000	0.05%	unavailable
2023	1,070,000	-	1,070,000	0.11%	104
2022	1,620,000	-	1,620,000	0.16%	157
2021	2,170,000	-	2,170,000	0.22%	211
2020	2,720,000	-	2,720,000	0.27%	269
2019	3,270,000	-	3,270,000	0.33%	323
2018	4,080,000	-	4,080,000	0.41%	403
2017	4,870,000	-	4,870,000	0.49%	479
2016	5,630,000	-	5,630,000	0.56%	553
2015	6,336,000	-	6,336,000	0.64%	618

EXHIBIT J-12

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
Unaudited

GOVERNMENTAL UNIT	NET DEBT (1)	TOWNSHIP PROPORTIONATE SHARE	NET DEBT ALLOCAED TO TOWNSHIP
Southampton Township (1)	$ 5,787,244	100.00%	$ 5,787,244
Burlington County (2)	189,976,353	2.57%	4,876,859
Lenape Regional High School (3)	90,498,000	6.69%	6,057,490
Southampton Township School District	520,000	100.00%	520,000
Total Direct & Overlapping Debt			$ 17,241,592

(1) 2023 Annual Debt Statement
(2) County net debt is allocated as a proportion of the Township's share of the total 2023 Equalized Value, which is provided by the New Jersey Division of Taxation.
(3) Regional high school net debt is allocated as a percentage of the Average Equalized Valuations of the municipalities within the regional high school district, which is provided by the Division of Local Government.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
Unaudited

	YEAR ENDING DECEMBER 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt Limit	$ 44,347,160	$ 40,649,004	$ 37,976,911	$ 36,139,233	$ 34,785,339	$ 33,706,716	$ 32,886,236	$ 32,619,364	$ 32,613,444	$ 33,739,545
Total Net Debt Applicable to Limit	520,000	1,070,000	1,620,000	2,170,000	2,720,000	3,270,000	4,545,000	5,330,000	5,630,000	6,336,000
Legal Debt Margin	$ 43,827,160	$ 39,579,004	$ 36,356,911	$ 33,969,233	$ 32,065,339	$ 30,436,716	$ 28,341,236	$ 27,289,364	$ 26,983,444	$ 27,403,545
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.17%	2.63%	4.27%	6.00%	7.82%	9.70%	13.82%	16.34%	17.26%	18.78%

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized Valuation Basis
2023	$ 1,625,782,616
2022	1,477,544,045
2021	1,331,389,305
	$ 4,434,715,966
Average Equalized Valuation of Taxable Property	$ 1,478,238,655
Debt Limit (3.0 % of Average Equalization Value)	$ 44,347,160
Net Debt Applicable to Limit	520,000
Legal Debt Margin	$ 43,827,160

SOURCE: Annual Debt Statement

Demographic and Economic Information

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

This page intentionally left blank.

EXHIBIT J-14

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
Unaudited

YEAR	POPULATION [a]	BURLINGTON COUNTY PERSONAL INCOME [b]	PER CAPITA INCOME[c]	UNEMPLOYMENT RATE[d]
2023	10,334	Unavailable	Unavailable	4.4%
2022	10,346	728,855,008	70,448	4.1%
2021	10,286	714,835,856	69,496	6.1%
2020	10,094	677,852,476	67,154	9.6%
2019	10,115	642,585,720	63,528	3.9%
2018	10,128	619,225,920	61,140	4.6%
2017	10,159	602,134,089	59,271	5.0%
2016	10,189	586,713,187	57,583	4.0%
2015	10,260	573,790,500	55,925	5.2%
2014	10,322	552,970,184	53,572	6.4%

Source: NJ Dept of Labor and Workforce Development

[a] NJ Dept of Labor & Workforce Development

[b] Based upon the Municipal population & per capita personal income presented.

[c] Provided by the NJ Department of Labor & Workforce Development

[d] Provided by the NJ Department of Labor & Workforce Development

EXHIBIT J-15

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
Unaudited

2024			2015		
EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT
INFORMATION IS UNAVAILABLE					

Source: Township and Board of Education Officials

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR
Unaudited

FUNCTION/PROGRAM	JUNE 30, 2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction:										
Regular	43	42	42	47	47	48	55	55	55	55
Special Education	28	27	26	19	19	19	23	23	23	23
Other Special Education	-	-	-	2	2	2	3	3	3	3
Support Services:										
Student & Instruction Related Services	13	13	13	15	16	16	19	19	19	19
School Administrative Services	8	8	8	8	8	8	8	8	8	8
General Administrative Services	5	5	5	5	5	6	5	5	5	5
Plant Operations & Maintenance	10	10	10	9	10	10	10	10	10	9
Total	107	105	104	105	107	109	123	123	123	122

Source: District Personnel Records

This page intentionally left blank.

Operating Information

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

This page intentionally left blank.

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO ELEMENTARY	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2024	688	$ 18,077,281	$ 26,275	1.81%	80	8.60	673.0	638.0	-1.12%	92.73%
2023	687	17,730,861	25,809	7.44%	80	8.59	684.7	645.2	-0.28%	93.92%
2022	712	17,102,926	24,021	7.46%	80	8.90	702.4	647.0	-3.82%	90.87%
2021	713	15,937,618	22,353	0.80%	82	8.70	694.4	672.7	0.00%	94.35%
2020	702	15,567,698	22,176	0.62%	82	8.56	694.4	672.7	1.68%	95.83%
2019	707	15,581,301	22,039	3.44%	82	8.62	682.4	661.6	0.00%	93.58%
2018	713	15,191,050	21,306	7.66%	79	9.03	682.4	661.6	-0.81%	92.79%
2017	709	14,031,557	19,791	-0.56%	78	9.09	688.8	667.0	-0.18%	94.08%
2016	690	13,731,768	19,901	1.21%	78	8.85	690.3	668.2	0.00%	96.84%
2015	710	13,960,236	19,662	7.36%	78	9.10	690.3	668.2	-4.68%	94.11%

Sources: District records
Note: Enrollment based on annual October district count.
a. Operating expenditures equal total expenditures less debt service and capital outlay.
b. Teaching staff includes only full-time equivalents of certificated staff
c. Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS)

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR
Unaudited

DISTRICT BUILDINGS	2024	2023	2022	2021	220	2019	2018	2017	2016	2015
Elementary Schools:										
School #1 (1921, 1922,1952, 1959)										
Square Feet	35,109	35,109	35,109	35,109	35,109	35,109	35,109	35,109	35,109	35,109
Capacity (Students)	223	223	223	223	223	223	223	223	223	223
Enrollment	222	222	231	229	226	227	240	239	233	235
School #2 (1962, 1969)										
Square Feet	40,674	40,674	40,674	40,674	40,674	40,674	40,674	40,674	40,674	40,674
Capacity (Students)	279	279	279	279	279	279	279	279	279	279
Enrollment (a)	225	225	228	230	227	228	232	230	224	226
Middle School:										
School # 3 (1994)										
Square Feet	52,280	52,280	52,280	52,280	52,280	52,280	52,280	52,280	52,280	52,280
Capacity (Students)	417	417	417	417	417	417	417	417	417	417
Enrollment	241	240	253	254	249	252	241	240	233	249
Total District Enrollment:	688	687	712	713	702	707	713	709	690	710
Other Buildings:										
Administration Building (1910)										
Square Feet	4,394	4,394	4,394	4,394	4,394	4,394	4,394	4,394	4,394	4,394
Storage Building - Garage (1930)										
Square Feet	900	900	900	900	900	900	900	900	900	900
Storage Building - Barn (1930)										
Square Feet	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520
Storage Building - Stable (1930)										
Square Feet	396	396	396	396	396	396	396	396	396	396
Storage Building - Bus Garage (1938)										
Square Feet	2,516	2,516	2,516	2,516	2,516	2,516	2,516	2,516	2,516	2,516

Number of Schools at June 30, 2024:
Elementary = 2
Middle School = 1
Senior High School = 0

Source: District Facilities Office

Note: Year of original construction is shown in parentheses.
Enrollment is based on the annual October district count.
Capacity is from five year Long Range Facility Plan October 2005

EXHIBIT J-19

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES *
11-000-261-xxx

	SCHOOL #1	SCHOOL #2	SCHOOL #3	DISTRICT TOTAL
2024	$ 40,590	$ 24,136	$ 80,865	$ 145,591
2023	30,568	20,173	17,867	68,608
2022	33,740	29,015	30,799	93,554
2021	46,935	54,374	69,890	171,199
2020	24,329	137,364	152,211	313,904
2019	122,548	14,660	16,292	153,500
2018	80,428	9,622	10,692	100,742
2017	174,715	20,901	23,227	218,843
2016	121,091	14,486	16,098	151,675
2015	24,231	37,211	31,025	92,467

* 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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
June 30, 2024
Unaudited

	COVERAGE	DEDUCTIBLE
School Package Policy (BCIPJIF):		
Building & Contents (All Locations)	Replacement Cost	500
Limits of Liability per Occurrence	175,000,000	500
Boiler & Machinery	125,000,000	1,000
Crime	500,000	500
General Automobile Liability	27,000,000	N/A
Educator's Legal Liability	27,000,000	N/A
Workers' Compensation	Statutory	N/A
Pollution Legal Liability	3,000,000	25,000
Pollution Legal Liability - Mold Incident	3,000,000	100,000 - 250,000
Cyber Liability	2,000,000	50,000 - 100,000
Crisis Protection & Disaster Management Services	1,000,000	10,000
Western Surety:		
Surety - Treasurer of Monies	215,000	
Surety - Board Secretary	120,000	

Excess and Reinsurance Carriers Involved **

Property and Crime……	SPELLJIF, Great American Insurance Company
	Axis Surplus Insurance Company
	Westchester Fire Insurance Company
	Alterra Excess & Surplus Insurance Company
	Ironshore Specialty Insurance Company
	Steadfast Insurance Company
	RSUI Indemnity Company
	James River Insurance Company
	BRIT / Lloyd's of London
	Arch Specialty Insurance Company
General Liability and Automobile Liability……	SPELLJIF, Great American Insurance Company
Workers Compensation……	SPELLJIF, Great American Insurance Company, Safety National Casualty Company
Educators Legal Liability	SPELLJIF, Great American Insurance Company, General Reinsurance Corp.

Group Purchase of Primary Insurance Coverage Carrier Array

Boiler and Machinery	Travelers Insurance Company
Pollution Legal Liability	Beazley / Lloyd's of Londaon
Cyber Liability	AIG / Lexington Insurance Company, Inc.
Violent malicious Acts	Lloyd's of London
Disaster Managemnet Services	Lloyd's of London

Source: District Records

SINGLE AUDIT SECTION

This page intentionally left blank.

HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Southampton Township School District
County of Burlington
Southampton, 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 each major fund of the Southampton Township School District (the "School District"), in the County of Burlington, State of New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 14, 2025.

Internal Control Over Financial Reporting

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

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

105 Atsion Road, Suite I, Medford, NJ 08055
P: 609.953.0612 • **F:** 609.257.0008
www.hmacpainc.com

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

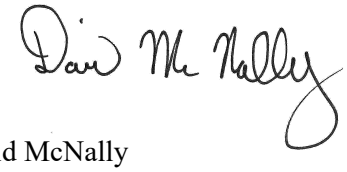
As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors



David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 14, 2025

HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Southampton Township School District
County of Burlington
Southampton, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Southampton Township School District's (the "School District") compliance with the types of compliance requirements identified in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2024. The School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the 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; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid;* and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

105 Atsion Road, Suite I, Medford, NJ 08055
P: 609.953.0612 • **F:** 609.257.0008
www.hmacpainc.com

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 School District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

Report on Internal Control Over Compliance

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

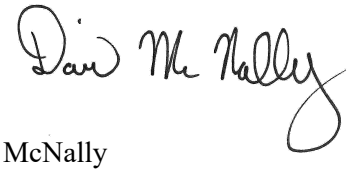
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors



David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 14, 2025

This page intentionally left blank.

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

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE 6/30/2023	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2024 (ACCOUNTS RECEIVABLE)	BALANCE, JUNE 30, 2024 UNEARNED REVENUE
U.S. Department of Health and Human Services											
Passed Through New Jersey Department of Human Services:											
Medical Assistance Program (SEMI)	93.778	2405NJ5MAP	100-054-7540-211	$ 14,860	7/1/23-6/30/24	$ -	$ 14,860	$ (14,860)	$ -	$ -	$ -
Total U.S. Department of Health and Human Services						-	14,860	(14,860)	-	-	-
U.S. Department of Agriculture											
Passed Through New Jersey Department of Agriculture:											
Child Nutrition Cluster:											
School Breakfast Program	10.553	241NJ304N1099	100-010-3350-028	$ 10,964	7/1/23-6/30/24	(1,212)	11,593	(10,964)	-	(583)	-
						(1,212)	11,593	(10,964)	-	(583)	-
National School Lunch Program	10.555	241NJ304N1099	100-010-3350-026	74,109	7/1/23-6/30/24	(5,425)	75,471	(74,109)	-	(4,063)	-
Healthy Hunger-Free Kids Act	10.555	241NJ304N1099	100-010-3350-026	3,918	7/1/23-6/30/24	(233)	3,933	(3,918)	-	(218)	-
COVID-19 Supply Chain Assistance Award	10.555	241NJ304N1099	100-010-3350-118	20,264	8/25/22-9/30/24	19,609	20,264	(39,329)	-	-	544
Food Distribution Program (Noncash Assistance)	10.555	241NJ304N1099	Unavailable	24,093	7/1/23-6/30/24	-	24,093	(19,794)	-	-	4,299
Food Distribution Program (Noncash Assistance)	10.555	231NJ304N1099	Unavailable	25,021	7/1/22-6/30/23	4,642	-	(4,642)	-	-	-
						18,593	123,761	(141,792)	-	(4,281)	4,843
Total Child Nutrition Cluster						17,381	135,354	(152,756)	-	(4,864)	4,843
Pandemic EBT Administrative Cost	10.649	231NJ304S9009	495-010-3350-001	653	7/1/22-6/30/23	-	653	(653)	-	-	-
						-	653	(653)	-	-	-
Total U.S. Department of Agriculture						17,381	136,007	(153,409)	-	(4,864)	4,843
U.S. Department of Education											
Passed Through New Jersey Department of Education:											
I.D.E.A. Part B (Special Education Cluster)											
Basic	84.027	H027A230100	100-034-5065-016	213,660	7/1/23-9/30/24	-	106,830	(213,660)	-	(106,830)	-
Basic	84.027	H027A220100	100-034-5065-016	201,986	7/1/22-9/30/23	(40,402)	40,402	-	-	-	-
						(40,402)	147,232	(213,660)	-	(106,830)	-
Preschool	84.173	H173A230114	100-034-5065-020	13,602	7/1/23-9/30/24	-	6,800	(13,602)	-	(6,802)	-
Preschool	84.173	H173A220114	100-034-5065-020	13,603	7/1/22-9/30/23	(2,723)	2,723	-	-	-	-
						(2,723)	9,523	(13,602)	-	(6,802)	-
Total Special Education Cluster						(43,125)	156,755	(227,262)	-	(113,632)	-
Title I - Part A	84.010	S010A230030	100-034-5064-194	108,693	7/1/23-9/30/24	-	31,504	(71,301)	-	(39,797)	-
Title I - Part A	84.010	S010A220030	100-034-5064-194	69,789	7/1/22-9/30/23	(27,683)	27,683	-	-	-	-
						(27,683)	59,187	(71,301)	-	(39,797)	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A230029	100-034-5063-290	18,303	7/1/23-9/30/24	-	4,500	(16,910)	-	(12,410)	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A220029	100-034-5063-290	15,330	7/1/22-9/30/23	(10,122)	10,122	-	-	-	-
						(10,122)	14,622	(16,910)	-	(12,410)	-
Title IV - Student Support and Academic Enrichment	84.424	S424A230031	100-034-5063-290	10,065	7/1/23-9/30/24	-	3,775	(9,881)	-	(6,106)	-
Title IV - Student Support and Academic Enrichment	84.424	S424A220031	100-034-5063-290	9,065	7/1/22-9/30/23	(9,000)	9,000	-	-	-	-
						(9,000)	12,775	(9,881)	-	(6,106)	-
Education Stabilization Fund											
COVID-19 C.R.R.S.A. Act:											
E.S.S.E.R. II	84.425D	S425D210027	100-034-5120-518	280,799	3/13/20-9/30/23	(80,926)	90,922	(9,996)	-	-	-
Learning Acceleration	84.425D	S425D210027	100-034-5120-518	25,000	3/13/20-9/30/23	(3,666)	10,130	(6,464)	-	-	-
Mental Health	84.425D	S425D210027	100-034-5120-518	45,000	3/13/20-9/30/23	(7,499)	25,521	(18,022)	-	-	-
COVID-19 American Rescue Plan:											
E.S.S.E.R. III	84.425U	S425U210027	100-034-5120-523	631,077	3/13/20-9/30/24	(142,648)	216,683	(153,348)	-	(79,313)	-
Accelerated Learning	84.425U	S425U210027	100-034-5120-523	63,528	3/13/20-9/30/24	(8,000)	10,725	(47,528)	-	(44,803)	-
Summer Learning	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	-	-	(10,043)	-	(10,043)	-
Beyond the School Day	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	(3,800)	3,801	(33,966)	-	(33,965)	-
Mental Health	84.425U	S425U210027	100-034-5120-523	45,000	3/13/20-9/30/24	(20,440)	20,440	(14,193)	-	(14,193)	-
						(266,979)	378,222	(293,560)	-	(182,317)	-
Total U.S. Department of Education						(356,909)	621,561	(618,914)	-	(354,262)	-
Total Expenditures of Federal Awards						$ (339,528)	$ 772,428	$ (787,183)	$ -	$ (359,126)	$ 4,843

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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2023	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE JUNE 30, 2024 ACCOUNTS RECEIVABLE	MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:										
General Fund:										
State Aid Public:										
Equalization Aid	495-034-5120-078	$ 278,254	7/1/23-6/30/24	$ -	$ 278,254	$ (278,254)	$ -	$ -	$ 17,585	$ 278,254
Security Aid	495-034-5120-084	94,037	7/1/23-6/30/24	-	94,037	(94,037)	-	-	5,943	94,037
Special Education Categorical Aid	495-034-5120-089	489,699	7/1/23-6/30/24	-	489,699	(489,699)	-	-	30,949	489,699
Total State Aid Public				-	861,990	(861,990)	-	-	54,477	861,990
Transportation Aid	495-034-5120-014	420,886	7/1/23-6/30/24	-	420,886	(420,886)	-	-	26,600	420,886
Additional Nonpublic School Transportation Aid	495-034-5120-014	18,200	7/1/23-6/30/24	-	-	(18,200)	-	(18,200)	-	18,200
Additional Nonpublic School Transportation Aid	495-034-5120-014	13,416	7/1/22-6/30/23	(13,416)	13,416	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	239,364	7/1/23-6/30/24	-	-	(239,364)	-	(239,364)	-	239,364
Extraordinary Aid	495-034-5120-044	191,564	7/1/22-6/30/23	(191,564)	191,564	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	455,150	7/1/23-6/30/24	-	433,082	(455,150)	-	(22,068)	-	455,150
Reimbursed TPAF Social Security Contributions	495-034-5094-003	439,456	7/1/22-6/30/23	(44,807)	44,807	-	-	-	-	-
TPAF - Post Retirement										
Medical (Noncash Assistance)	495-034-5094-001	604,924	7/1/23-6/30/24	-	604,924	(604,924)	-	-	-	604,924
TPAF Pension										
Contributions (Noncash Assistance)	495-034-5094-002	2,222,650	7/1/23-6/30/24	-	2,222,650	(2,222,650)	-	-	-	2,222,650
TPAF - Long-Term Disability										
Insurance (Noncash Assistance)	495-034-5094-004	1,153	7/1/23-6/30/24	-	1,153	(1,153)	-	-	-	1,153
Total General Fund				(249,787)	4,794,472	(4,824,317)	-	(279,632)	81,077	4,824,317
Special Revenue Fund:										
Emergent and Capital Maintenance Needs	Unavailable	37,747	7/1/23-6/30/24	-	-	(37,747)	-	(37,747)	-	37,747
Total Special Revenue Fund				-	-	(37,747)	-	(37,747)	-	37,747
New Jersey Department of Agriculture:										
Enterprise Fund:										
National School Lunch Program	495-010-3350-001	3,082	7/1/23-6/30/24	-	2,911	(3,082)	-	(171)	-	3,082
National School Lunch Program	495-010-3350-001	2,743	7/1/22-6/30/23	(184)	184	-	-	-	-	-
School Lunch & Breakfast Program - Reduced (State)	495-010-3350-002	981	7/1/23-6/30/24	-	921	(981)	-	(60)	-	981
School Lunch & Breakfast Program - Reduced (State)	495-010-3350-002	1,454	7/1/22-6/30/23	(113)	113	-	-	-	-	-
Working Class Families State Supplement	495-010-3350-006	3,357	7/1/23-6/30/24	-	3,150	(3,357)	-	(207)	-	3,357
Total Enterprise Fund				(297)	7,279	(7,420)	-	(438)	-	7,420
Total State Financial Assistance				$ (250,084)	$ 4,801,751	$ (4,869,484)	$ -	$ (317,817)	$ 81,077	$ 4,869,484
State Financial Assistance Programs not subject to Calculation for Major Program Determination										
TPAF - Post Retirement										
Medical (Noncash Assistance)	495-034-5094-001	604,924	7/1/23-6/30/24			$ 604,924				
TPAF Pension										
Contributions (Noncash Assistance)	495-034-5094-002	2,222,650	7/1/23-6/30/24			2,222,650				
TPAF - Long-Term Disability										
Insurance (Noncash Assistance)	495-034-5094-004	1,153	7/1/23-6/30/24			1,153				
Total State Financial Assistance subject to Calculation for Major Program Determination						$ (2,040,757)				

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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

The School District did not elect the 10-percent de deminimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

Note 3. Relationship to Basic Financial Statements

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

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
NOTES TO 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)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $11,524 for the general fund and ($18,613) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

Fund	Federal	State	Total
General Fund	$ 14,860	$ 4,835,841	$ 4,850,701
Special Revenue Fund	600,301	37,747	638,048
Food Service Fund	153,409	7,420	160,829
Total Awards & Financial Assistance	$ 768,570	$ 4,881,008	$ 5,649,578

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Southampton Township School District had no loan balances outstanding at June 30, 2024.

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

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

Assistance Listing Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
		Special Education Cluster:
84.027	H027A230100	I.D.E.A. - Part B
84.173	H173A230114	I.D.E.A. - Preschool
		Education Stabilization Fund:
84.425D	S425D210027	COVID-19 C.R.R.S.A.
84.425U	S425U210027	COVID-19 A.R.P.

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

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

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs	$ 750,000	
Auditee qualified as low-risk auditee?	X yes	no
Internal control over major programs:		
1) Material weakness(es) identified?	yes	X no
2) Significant deficiency(ies) identified?	yes	X no
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?	yes	X no

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
	State Aid Public:
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-089	Special Education Categorical Aid

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & 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 basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey.

None.

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

EXHIBIT K-7

SOUTHAMPTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

Financial Statement Findings – N/A

Federal Awards – N/A

State Financial Assistance – N/A