

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT

West Creek, New Jersey
County of Ocean

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
WEST CREEK, NEW JERSEY**



YEAR ENDED JUNE 30, 2025

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

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INTRODUCTORY SECTION

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EAGLESWOOD PUBLIC SCHOOLS
Office of the School Business Administrator/Board Secretary
511 Route 9, West Creek, NJ 08092-3207
(609)-597-3663
(609)-978-0949
www.eagleswood.org

November 7, 2025

Honorable President and Members
Of the Board of Education
Eagleswood Township School District
County of Ocean
West Creek, NJ 08092-3207

Dear Board Members and Citizens of the Township of Eagleswood:

The Annual Comprehensive Financial Report (ACFR) of the Eagleswood Township School District for the fiscal year ended June 30, 2025 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 Eagleswood 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.

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

The Introductory Section contains a Letter of Transmittal, Roster of Officials, List of Consultants and Advisors, and an Organizational Chart of the School District.

The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information;

The Statistical Section includes selected financial trends, revenue capacity, debt capacity, certain demographic and economic information and operating information of the school district, generally presented on a multi-year basis;

The Single Audit Section – The District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)" and the New Jersey State Treasury Circular Letter 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 auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the Single Audit Section of this report.

SCHOOL DISTRICT ORGANIZATION

The Eagleswood Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. The Eagleswood Board of Education and its one school constitutes the district's reporting entity.

The district continues to maintain a high quality of education which consists of a PreK-6 district in New Jersey. The district provides a full range of programs and services appropriate to grades Pre-K through 6. These include regular education programs for the very able students (gifted and talented), as well as those for students with disabilities both in and out of district. One school comprises the district's instructional facilities.

Supervising district-wide goals is a district superintendent and a school business administrator/board secretary.

The Board of Education, comprised of five members, each elected to three-year terms, meets on the last Thursday of each month for regular meetings. During the meetings the board members determine district goals, priorities, set policy, and conduct other business. Board meetings are open to the public and begin at 6:00 PM.

To maintain effective communications, the district uses several options to ensure a consistent flow of information to our stakeholders. Communication tools utilized by the district include a district website that is updated regularly with important information for parents, such as school closures, delayed openings, medical/health alerts, new curriculum initiatives, and more. The district also communicates with parents via Realtime, a system that provides both phone and text message contact options. The ability to contact the entire parent population about changes in the school day, i.e., early closure, or to be able to update them in an emergency situation is a vital component in ensuring that our communication efforts are timely, accurate, and effective. The district also utilizes the parent portal (part of Realtime) for communications between home and school for grades and attendance records.

DISTRICT CURRICULUM

The goal of the Eagleswood Township School District is to encourage lifelong learning for all students. The district provides curricular offerings aligned with the New Jersey Student Learning Standards that enable students to develop intellectually, socially, physically and emotionally. The core subjects of English Language Arts, Mathematics, Science, and Social Studies establish the foundation for a curriculum of exploration and breadth.

MAJOR INITIATIVES

At Eagleswood Township School District, we continue to focus our efforts on providing an individualized approach to education. Each student is unique and learns in their own unique way, and we strive to differentiate to meet their needs. We feel strongly that our motto Education First! be at the forefront of our children's minds and have our students realize that learning is a life-long commitment.

The district is providing programs for our students that address both academic and social emotional needs. Afterschool programs as well as a summer program will afford students to receive additional instruction to remediate or accelerate learning. Students will also have the opportunity to learn new skills and socialize with their peers.

The district is also investing funds to hire a Reading Specialist. The goal will be to provide intensive targeted instruction to our students as well as professional development for teachers. An additional guidance counselor is being hired to address identified mental health needs of students.

INTERNAL CONTROLS

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

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

As part of the district's Single Audit, described earlier, tests are made to determine adequacy of the internal control system, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws, regulations, contracts and grants. All board of education policies are updated in this area. Additionally, the district has a point person responsible for these areas.

BUDGETARY CONTROLS

In addition to internal controls, the district maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue funds, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. P.L. 2011, c 202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal yearend. The Business Administrator and the Superintendent meet with the Finance Committee regularly to review the school budget and areas of concern.

CASH MANAGEMENT

The investment policy of the district is guided in large part by state statute. The district has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds deposited with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

RISK MANAGEMENT

The board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds, and workers compensation. A schedule of insurance coverage is found in J-20.

ACCOUNTING SYSTEMS AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

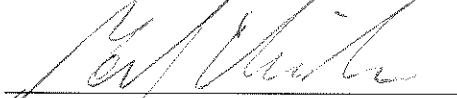
INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet requirements of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)" and the New Jersey OMB Circular 15-08. The auditors' report on the basic financial statements, required supplementary information, individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the single audit section of this report.

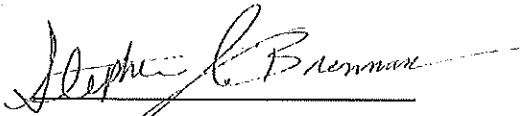
ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Eagleswood Board of Education for their concern in ensuring fiscal responsibility 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,



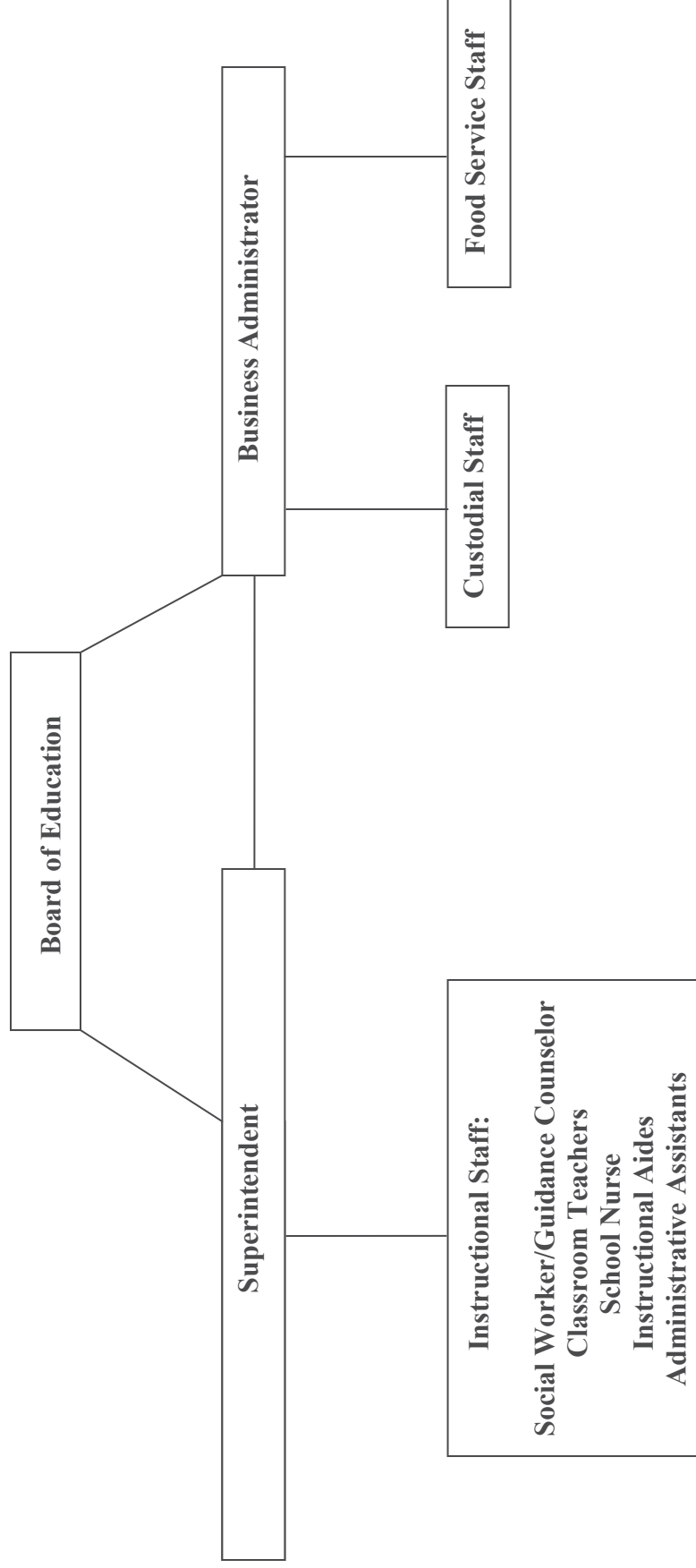
George Chidiac
Superintendent of Schools



Stephen Brennan, MBA, CPA
School Business Administrator/Board Secretary

Eagleswood Township Board of Education

Organizational Chart



**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
WEST CREEK, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2025**

Members of the Board of Education

TERM EXPIRES

Isabella Pharo, President	12/31/2026
Judy Blight, Vice President	12/31/2027
Jim Kelly	12/31/2025
Bethany Miller	12/31/2025
Jennifer Zappia	12/31/2026

Other Officials

George Chidiac, Superintendent

Stephen J. Brennan, School Business Administrator/Board Secretary

Paul C. Kalac, Esq

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
WEST CREEK, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2025**

AUDITOR/AUDIT FIRM

Jerry W. Conaty, CPA, PSA, RMA, CFE
Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave, Suite 3
Lakewood, NJ 08701

ATTORNEY

Weiner Law Group
Paul C. Kalac
629 Parsipanny Road
Parsippany, NJ 07504

OFFICIAL DEPOSITORY

OceanFirst Bank
205 Route 72 West
Manahawkin, New Jersey 08050

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Eagleswood Township School District
County of Ocean
West Creek, NJ 08092-3207

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Eagleswood Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended, June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirement 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 other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, statistical section and schedule of expenditures of federal awards are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance, as required by New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 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,

HOLMAN FRENIA ALLISON, P.C.

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

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey

November 7, 2025

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT

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

This section of the Eagleswood School Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

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

FINANCIAL HIGHLIGHTS

Key financial highlights for 2025 are as follows:

- In total, net position of governmental activities decreased \$403,781.56 which represents a 16.79% decrease from 2024.
- General revenues and transfers accounted for \$3,696,955.24 in revenue or 70.00% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$1,584,604.63 or 30.00% of total revenues of \$5,281,559.87.
- Total assets of governmental activities decreased by \$462,551.56 as cash and cash equivalents decreased by \$701,430.71, receivables increased by \$70,886.83, restricted cash and cash equivalents increased by \$247,047.32, and total capital assets decreased by \$79,055.00.
- Total liabilities of governmental activities increased by \$31,207.00 as non-current liabilities due beyond one year increased by \$103,554.54.
- The District had \$5,685,341.43 in governmental activity expenses; \$1,584,604.63 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$3,696,955.24 were adequate to provide for these programs, resulting in an decrease in net position for governmental activities of \$403,781.56.
- In the governmental funds, the general fund had \$4,232,084.20 in revenues, \$4,466,037.52 in expenditures. The general fund's fund balance decreased by \$233,953.32 over 2024.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

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

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

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

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

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

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

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

Governmental Funds

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

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

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

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

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

Fiduciary Funds

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District had no fiduciary funds to report during the year.

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

Other Information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

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

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

Net Position
June 30, 2025

	Governmental Activities		Business-Type Activities	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets				
Current and Other				
Assets	\$ 1,648,278.29	\$ 2,031,774.85	\$ -	\$ -
Capital Assets, Net	4,749,589.00	4,828,644.00	-	-
Total Assets	6,397,867.29	6,860,418.85	-	-
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	219,874.00	179,841.00	-	-
Total Deferred Outflows of Resources	219,874.00	179,841.00	-	-
Liabilities				
Long-Term Liabilities*	4,102,637.50	3,971,082.96	-	-
Other Liabilities	344,563.76	444,911.30	-	-
Total Liabilities	4,447,201.26	4,415,994.26	-	-
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	169,673.00	219,617.00	-	-
Total Deferred Inflows of Resources	169,673.00	219,617.00	-	-
Net Position				
Net Investment in				
Capital Assets	1,676,589.00	1,638,644.00	-	-
Restricted	1,023,563.27	1,337,449.55	-	-
Unrestricted*	(699,285.24)	(571,444.96)	-	-
Total Net Position	\$ 2,000,867.03	\$ 2,404,648.59	\$ -	\$ -

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

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

Restricted net position decreased \$313,886.28 from the prior year to \$1,023,563.27 at June 30, 2025.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$699,285.24) is shown as unrestricted net position for Governmental Activities.

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

	<u>June 30, 2025</u>		
	Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Operating Grants and Contributions	\$ 1,584,604.63	\$ -	\$ 1,584,604.63
General Revenues:			
Property Taxes	2,920,321.00	-	2,920,321.00
Federal and State Aid	738,841.60	-	738,841.60
Miscellaneous	37,792.64	-	37,792.64
Total Revenues	5,281,559.87	-	5,281,559.87
Expenses:			
Instructional Services	3,484,622.05	-	3,484,622.05
Support Services	2,115,449.34	-	2,115,449.34
Interest and Other Charges	85,270.04	-	85,270.04
Total Expenses	5,685,341.43	-	5,685,341.43
Change in Net Position	(403,781.56)	-	(403,781.56)
Net Position, Beginning (as Restated, Note 20)	2,404,648.59	-	2,404,648.59
Net Position, Ending	\$ 2,000,867.03	\$ -	\$ 2,000,867.03
	<u>June 30, 2024</u>		
	Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Operating Grants and Contributions	\$ 1,606,213.78	\$ -	\$ 1,606,213.78
General Revenues:			
Property Taxes	2,872,367.02	-	2,872,367.02
Federal and State Aid	671,433.19	-	671,433.19
Miscellaneous	102,378.08	-	102,378.08
Total Revenues	5,252,392.07	-	5,252,392.07
Expenses:			
Instructional Services	3,104,588.68	-	3,104,588.68
Support Services	1,747,712.76	53.60	1,747,766.36
Interest and Other Charges	86,222.26	-	86,222.26
Total Expenses	4,938,523.70	53.60	4,938,577.30
Transfers	54,241.13	(54,241.13)	-
Change in Net Position	368,109.50	(54,294.73)	313,814.77
Net Position, Beginning	2,338,156.68	54,294.73	2,392,451.41
Net Position, Ending	\$ 2,706,266.18	\$ -	\$ 2,706,266.18

Financial Analysis of the District's Funds

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

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

Financial Information at Fiscal Year-End

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

<u>June 30, 2025</u>				
	Amount	Percent Of Total	Increase (Decrease) From 2023	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 1,953,337.65	35.39%	\$ 242,404.45	14.17%
Undistributed	3,142,669.60	56.93%	406,484.56	14.86%
Capital Outlay	145,746.60	2.64%	130,368.41	847.75%
Debt Service:				
Principal	195,000.00	3.53%	5,000.00	2.63%
Interest	83,481.26	1.51%	(3,850.00)	-4.41%
Total	<u>\$ 5,520,235.11</u>	<u>100.00%</u>	<u>\$ 780,407.42</u>	<u>16.46%</u>

<u>June 30, 2024</u>				
	Amount	Percent Of Total	Increase (Decrease) From 2022	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 1,710,933.20	36.10%	\$ (19,337.11)	-1.12%
Undistributed	2,736,185.04	57.73%	(152,437.47)	-5.28%
Capital Outlay	15,378.19	0.32%	(48,413.81)	-75.89%
Debt Service:				
Principal	190,000.00	4.01%	5,000.00	2.70%
Interest	87,331.26	1.84%	(3,749.74)	-4.12%
Total	<u>\$ 4,739,827.69</u>	<u>100.00%</u>	<u>\$ (218,938.13)</u>	<u>-4.42%</u>

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

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to realign the 2024-2025 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

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

Based on the financial results of 2024-2025 unassigned fund balance decreased by \$34,087.53 to \$166,335.47 (2% required per S-1701, net of allowable adjustments).

Capital Assets

At June 30, 2025 the District has capital assets of \$4,749,589.00, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2025</u>
	Governmental
	Activities
Land	\$ 156,351.00
Buildings/Construction	4,432,956.00
Machinery and Equipment	160,282.00
Total	<u>\$ 4,749,589.00</u>

	<u>June 30, 2024</u>
	Governmental
	Activities
Land	\$ 156,351.00
Buildings/Construction	4,506,497.00
Machinery and Equipment	165,796.00
Total	<u>\$ 4,828,644.00</u>

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

Debt Administration and Other Obligations

At June 30, 2025 and 2024, the District's outstanding debt issues included \$2,995,000.00 and \$3,190,000.00, respectively of general obligation bonds, \$78,000.00 and \$0, respectively of financed purchases, and \$182,325.00 and \$132,768.37, respectively in compensated absences payable.

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

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2025-2026 budget will be adequate to satisfy all 2025-2026 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2025-2026.

Requests for Information

This financial report is designed to provide a general overview of the Eagleswood School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Eagleswood Board of Education, 511 Route 9 West Creek , New Jersey 08092.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2025**

	GOVERNMENTAL ACTIVITIES	TOTAL
ASSETS:		
Cash & Cash Equivalents	\$ 732,644.75	\$ 732,644.75
Receivables, Net (Note 4)	127,159.51	127,159.51
Restricted Cash & Cash Equivalents	788,474.03	788,474.03
Capital Assets, Net (Note 5)		
Non-Depreciable	156,351.00	156,351.00
Depreciable	4,593,238.00	4,593,238.00
Total Assets	6,397,867.29	6,397,867.29
DEFERRED OUTFLOWS OF RESOURCES:		
Related to Pensions (Note 8)	219,874.00	219,874.00
Total Deferred Outflow of Resources	219,874.00	219,874.00
LIABILITIES:		
Due to Other Governments	276,859.64	276,859.64
Accrued Interest	20,390.42	20,390.42
Payroll Withholdings and Deductions Payable	47,313.70	47,313.70
Noncurrent Liabilities (Note 7):		
Due Within One Year	223,000.00	223,000.00
Due in More Than One Year	3,879,637.50	3,879,637.50
Total Liabilities	4,447,201.26	4,447,201.26
DEFERRED INFLOWS OF RESOURCES:		
Related to Pensions (Note 8)	169,673.00	169,673.00
Total Deferred Inflow of Resources	169,673.00	169,673.00
NET POSITION:		
Net Investment in Capital Assets	1,676,589.00	1,676,589.00
Restricted for:		
Capital Projects (Note 3)	353,857.90	353,857.90
Debt Service	1.45	1.45
Maintenance Reserve (Note 3)	433,000.00	433,000.00
Student Activities	1,616.13	1,616.13
Excess Surplus	235,087.79	235,087.79
Unrestricted (Deficit) (Note 18)	(699,285.24)	(699,285.24)
Total Net Position	\$ 2,000,867.03	\$ 2,000,867.03

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
	EXPENSES	OPERATING GRANTS & CONTRIBUTIONS		GOVERNMENTAL ACTIVITIES	TOTAL
Governmental Activities:					
Instruction:					
Regular Instruction	\$ 2,511,829.64	\$ 1,071,098.09	\$	(1,440,731.55)	\$ (1,440,731.55)
Special Education Instruction	969,727.61	249,753.03		(719,974.58)	(719,974.58)
Other Instruction	3,064.80	789.34		(2,275.46)	(2,275.46)
Support Services:					
Tuition	29,775.63	-		(29,775.63)	(29,775.63)
Student & Instruction Related Services	957,664.13	262,964.17		(694,699.96)	(694,699.96)
General Administrative	93,035.08	-		(93,035.08)	(93,035.08)
School Administrative Services	85,251.83	-		(85,251.83)	(85,251.83)
Central Services	26,489.52	-		(26,489.52)	(26,489.52)
Plant Operations & Maintenance	560,303.88	-		(560,303.88)	(560,303.88)
Pupil Transportation	362,929.27	-		(362,929.27)	(362,929.27)
Interest & Other Charges	85,270.04	-		(85,270.04)	(85,270.04)
Total Governmental Activities	5,685,341.43	1,584,604.63		(4,100,736.80)	(4,100,736.80)
Total Primary Government	<u>5,685,341.43</u>	<u>1,584,604.63</u>		<u>(4,100,736.80)</u>	<u>(4,100,736.80)</u>
General Revenues and Transfers:					
Taxes:					
Property Taxes, Levied for General Purposes				2,725,321.00	2,725,321.00
Property Taxes, Levied for Debt Service				195,000.00	195,000.00
Federal & State Aid Restricted				122,912.60	122,912.60
Federal & State Aid Not Restricted				615,929.00	615,929.00
Miscellaneous				37,792.64	37,792.64
Transfer of Funds				-	-
Total General Revenues and Transfers				3,696,955.24	3,696,955.24
Change In Net Position				(403,781.56)	(403,781.56)
Net Position - Beginning (as Restated, Note 20)				2,404,648.59	2,404,648.59
Net Position - Ending			\$	2,000,867.03	2,000,867.03

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

B. Fund Financial Statements

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Governmental Funds

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
YEAR ENDED JUNE 30, 2025**

	MAJOR FUNDS			TOTAL
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	GOVERNMENTAL FUNDS
ASSETS				
Cash & Cash Equivalents	\$ 732,643.30	\$ -	\$ 1.45	\$ 732,644.75
Receivables, Net:				
Interfund Receivable	94,170.00	-	-	94,170.00
Due from Other Governments:				
Federal	-	51,900.00	-	51,900.00
State	70,630.27	-	-	70,630.27
Other	4,629.24	-	-	4,629.24
Restricted Cash & Cash Equivalents	786,857.90	1,616.13	-	788,474.03
Total Assets	<u>\$ 1,688,930.71</u>	<u>\$ 53,516.13</u>	<u>\$ 1.45</u>	<u>\$ 1,742,448.29</u>
LIABILITIES & FUND BALANCES				
Liabilities:				
Intergovernmental Payable:				
Other	\$ 223,364.64	\$ -	\$ -	\$ 223,364.64
Interfund Payable	-	94,170.00	-	94,170.00
Payroll Withholdings and Deductions Payable	47,313.70	-	-	47,313.70
Total Liabilities	<u>270,678.34</u>	<u>94,170.00</u>	<u>-</u>	<u>364,848.34</u>
Fund Balances:				
Restricted for:				
Capital Reserve	353,857.90	-	-	353,857.90
Maintenance Reserve	433,000.00	-	-	433,000.00
Excess Surplus Designated for Subsequent Year	235,087.79	-	-	235,087.79
Student Activities	-	1,616.13	-	1,616.13
Debt Service	-	-	1.45	1.45
Assigned to:				
Designated for Subsequent Year	156,716.21	-	-	156,716.21
Other Purposes	73,255.00	-	-	73,255.00
Unassigned	166,335.47	(42,270.00)	-	124,065.47
Total Fund Balances	<u>1,418,252.37</u>	<u>(40,653.87)</u>	<u>1.45</u>	<u>1,377,599.95</u>
Total Liabilities & Fund Balances	<u>\$ 1,688,930.71</u>	<u>\$ 53,516.13</u>	<u>\$ 1.45</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$8,013,069.00 and the accumulated depreciation is \$3,263,480.00. 4,749,589.00

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 219,874.00

 Deferred Inflows Related to Pensions (169,673.00)

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. (20,390.42)

Accrued pension contributions for the June 30, 2025 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. (53,495.00)

Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (4,102,637.50)

Net Position of Governmental Activities \$ 2,000,867.03

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 2,725,321.00	\$ -	\$ 195,000.00	\$ 2,920,321.00
Miscellaneous	31,477.28	5,822.68	-	37,299.96
Total Local Sources	2,756,798.28	5,822.68	195,000.00	2,957,620.96
State Sources	1,381,601.28	532,666.25	77,166.00	1,991,433.53
Federal Sources	-	194,399.02	-	194,399.02
Total Revenues	4,138,399.56	732,887.95	272,166.00	5,143,453.51
Expenditures:				
Instruction:				
Regular Instruction	983,852.54	424,177.18	-	1,408,029.72
Special Education Instruction	543,589.93	-	-	543,589.93
Other Instruction	1,718.00	-	-	1,718.00
Support Services:				
Tuition	22,480.98	-	-	22,480.98
Attendance & Social Work Services	74,791.03	-	-	74,791.03
Health Services	52,001.42	-	-	52,001.42
Student & Instruction Related Services	180,423.02	305,792.55	-	486,215.57
General Administrative	164,696.26	-	-	164,696.26
School Administrative Services	64,366.21	-	-	64,366.21
Central Services	19,999.92	-	-	19,999.92
Plant Operations & Maintenance	439,646.81	-	-	439,646.81
Pupil Transportation	274,016.20	-	-	274,016.20
Unallocated Benefits	778,782.92	-	-	778,782.92
On Behalf TPAF Pension and Social Security Contributions	765,672.28	-	-	765,672.28
Capital Outlay	100,000.00	45,746.60	-	145,746.60
Debt Service:				
Principal	-	-	195,000.00	195,000.00
Interest & Other Charges	-	-	83,481.26	83,481.26
Total Expenditures	4,466,037.52	775,716.33	278,481.26	5,520,235.11
Excess/(Deficiency) of Revenues Over Expenditures	(327,637.96)	(42,828.38)	(6,315.26)	(376,781.60)
Other Financing Sources (Uses):				
Transfers In	-	-	6,315.36	6,315.36
Transfers Out	(6,315.36)	-	-	(6,315.36)
Financed Purchase (Non-Budgeted)	100,000.00	-	-	100,000.00
Total Other Financing Sources (Uses)	93,684.64	-	6,315.36	100,000.00
Net Changes in Fund Balances	(233,953.32)	(42,828.38)	0.10	(276,781.60)
Fund Balance, July 1	1,652,205.69	2,174.51	1.35	1,654,381.55
Fund Balance, June 30	\$ 1,418,252.37	\$ (40,653.87)	\$ 1.45	\$ 1,377,599.95

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

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

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ (270,209.60)

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 depreciation exceeded capital outlays in the period.

Depreciation Expense	\$ (204,157.00)	
Adjustments to Capital Assets	7,777.00	
Capital Outlays	<u>117,325.00</u>	
		(79,055.00)

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.

370.00

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.

217,000.00

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Financed Purchase Proceeds	<u>(100,000.00)</u>	
		(100,000.00)

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 (+).

4,526.58

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 (+).

(169,841.54)

Change in Net Position of Governmental Activities	<u><u>\$ (397,209.56)</u></u>
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Proprietary Funds
Not Applicable

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Fiduciary Fund
Not Applicable

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of five members appointed to three-year terms. These terms are staggered so that two members’ terms expire in a given year and on term expires in the third year. The District provides a full range of educational services appropriate to grades levels kindergarten through sixth grade. These include regular, vocational, as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2025 of 136 students.

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

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

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

Component Units

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

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

A. Government-Wide Financial Statements

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

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

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

B. Governmental Fund Financial Statements

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

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

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

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

C. Proprietary Fund Financial Statements

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

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

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

The School District reports no major proprietary funds.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District reports no fiduciary funds.

Budgets/Budgetary Control

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Encumbrances

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

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

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

Cash, Cash Equivalents and Investments

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

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

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

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

Tuition Receivable/Payable

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

Interfund Receivables/Payables

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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 market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Equipment	5-20 Years	N/A

Compensated Absences

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

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

Unearned Revenue

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

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

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.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions

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

Fund Balance

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

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

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

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

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

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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

Net Position

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

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

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

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

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2025 and November 7, 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.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in a prior period adjustment and additional footnotes. See Note 14 and Note 20 for further detail.
- Statement No. 102, *Certain Risk Disclosures*. Management has determined the implementation of this statements did not have a significant impact on the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management has not yet determined the potential impact on the District's financial statements.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2025, the School District’s bank balance of \$1,890,796.47 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 1,827,345.89
Uninsured and Uncollateralized	<u>63,450.58</u>
Total	<u><u>\$ 1,890,796.47</u></u>

Investments

The School District had no investments at June 30, 2025.

Note 3. Reserve Accounts

Maintenance Reserve

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

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

Beginning Balance, July 1, 2024	<u>\$ 433,000.00</u>
Ending Balance, June 30, 2025	<u><u>\$ 433,000.00</u></u>

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 3. Reserve Accounts (continued)

Capital Reserve

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

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

Beginning Balance, July 1, 2024	\$ 433,857.90
Decreased by:	
Budget Withdrawals	(80,000.00)
Ending Balance, June 30, 2025	<u>\$ 353,857.90</u>

Note 4. Accounts Receivable

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

<u>Description</u>	<u>Governmental Funds</u>		<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	
Federal Awards	\$ -	\$ 51,900.00	\$ 51,900.00
State Awards	70,630.27	-	70,630.27
Other	4,629.24	-	4,629.24
Total	<u>\$ 75,259.51</u>	<u>\$ 51,900.00</u>	<u>\$ 127,159.51</u>

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 5. Capital Assets

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

	Governmental Activities			
	Balance July 1, <u>2024</u>	<u>Additions</u>	<u>Adjustments</u>	Balance June 30, <u>2025</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 156,351.00	\$ -	\$ -	\$ 156,351.00
Total Capital Assets not being depreciated	156,351.00	-	-	156,351.00
Capital Assets being depreciated:				
Buildings and Improvements	7,216,293.00	40,374.00	107,082.00	7,363,749.00
Equipment	523,100.00	76,951.00	(107,082.00)	492,969.00
Total Capital Assets being depreciated	7,739,393.00	117,325.00	-	7,856,718.00
Less: Accumulated Depreciation:				
Buildings and Improvements	(2,709,796.00)	(183,591.00)	(37,406.00)	(2,930,793.00)
Equipment	(357,304.00)	(20,566.00)	45,183.00	(332,687.00)
Total Accumulated Depreciation	(3,067,100.00)	(204,157.00)	7,777.00	(3,263,480.00)
Total Capital Assets being depreciated, net	4,672,293.00	(86,832.00)	7,777.00	4,593,238.00
Total Governmental Activities Capital Assets, net	\$ 4,828,644.00	\$ (86,832.00)	\$ 7,777.00	\$ 4,749,589.00

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

Governmental Activities

Instruction:

Regular Instruction	\$ 80,939.01
Special Education Instruction	31,247.66
Other Instruction	98.76

Support Services:

Tuition	1,292.29
Student & Instruction Related Services	35,238.08
General Administrative	9,467.38
School Administrative Services	3,700.02
Central Services	1,149.67
Plant Operations & Maintenance	25,272.61
Pupil Transportation	15,751.51

Total Depreciation Expense - Governmental Activities \$ 204,157.00

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2025 are as follows:

<u>Fund</u>	Interfund <u>Receivables</u>	Interfund <u>Payables</u>
General Fund	\$ 94,170.00	\$ -
Special Revenue Fund	-	94,170.00
	<u>\$ 94,170.00</u>	<u>\$ 94,170.00</u>

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 6. Interfund Receivables, Payables and Transfers (continued)

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

Individual fund transfer balances at June 30, 2025 are as follows:

<u>Fund:</u>	<u>Transfer In</u>		<u>Transfer Out</u>	
General Fund	\$	-	\$	6,315.36
Debt Service Fund		6,315.36		-
	\$	6,315.36	\$	6,315.36

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

Note 7. Long-Term Obligations

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

	<u>Balance</u>		<u>Balance</u>		<u>Balance</u>
	<u>June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2025</u>	<u>Due Within</u>
Governmental Activities:					<u>One Year</u>
General Obligation Bonds	\$ 3,190,000.00	\$ -	\$ 195,000.00	\$ 2,995,000.00	\$ 205,000.00
Financed Purchases	-	100,000.00	22,000.00	78,000.00	18,000.00
Compensated Absences (as Restated, Note 20)	434,385.96	169,841.54	-	604,227.50	-
Net Pension Liability	346,697.00	385,996.00	307,283.00	425,410.00	-
	\$ 3,971,082.96	\$ 655,837.54	\$ 524,283.00	\$ 4,102,637.50	\$ 223,000.00

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

Bonds Payable

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

On May 25, 2016, the School District issued \$4,393,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates ranging from 0.90% to 3.05% and mature on March 15, 2037.

<u>Fiscal Year Ending</u>	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$	205,000.00	\$ 79,481.26	\$ 284,481.26
2027		210,000.00	75,331.26	285,331.26
2028		220,000.00	71,031.26	291,031.26
2029		225,000.00	66,440.63	291,440.63
2030		235,000.00	60,525.00	295,525.00
2031-2035		1,305,000.00	189,825.00	1,494,825.00
2036-2037		595,000.00	18,075.00	613,075.00
	\$	2,995,000.00	\$ 560,709.41	\$ 3,555,709.41

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 7. Long-Term Obligations (continued)

Financed Purchases Payable

The School District purchased capital items and equipment under financed purchase agreements. All financed purchases are for terms of five to ten years. The following is a schedule of the remaining future minimum payments under these financed purchases and the present value of the net minimum lease payments as of June 30, 2025:

Fiscal Year Ending <u>June 30,</u>	Total
2026	\$ 21,714.26
2027	21,757.12
2028	21,957.13
2029	<u>22,104.76</u>
Total Minimum Financed Purchase Payments	87,533.27
Less: Amount Representing Interest	<u>(9,533.27)</u>
Present Value of Minimum Financed Purchase Payments	<u>\$ 78,000.00</u>

Amortization of the equipment and improvements under financed purchases is included with depreciation expense.

Bonds Authorized but not Issued

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

Note 8. 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 Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2025, the State's pension contribution was less than the actuarial determined amount.

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)**

Note 8. Pension Plans (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, 2025, the School District reported a liability of \$425,410.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2025. 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, 2024, to the measurement date of June 30, 2025. 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, 2025. The School District's proportion measured as of June 30, 2025, was 0.00313077%, which was an increase of 0.00073718% from its proportion measured as of June 30, 2024.

For the year ended June 30, 2025, the School District recognized full accrual pension expense of \$42,230.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2024 measurement date. At June 30, 2025 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 8,522.00	\$ 1,133.00
Changes of Assumptions	528.00	4,840.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	19,725.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	157,329.00	143,975.00
School District contributions subsequent to measurement date	53,495.00	-
	<u>\$ 219,874.00</u>	<u>\$ 169,673.00</u>

\$53,495.00 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2024-2025 total salaries for PERS employees multiplied by an employer pension contribution rate of 16.36%. The payable is due on April 1, 2026 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The other amounts reported as deferred outflows of resources are deferred inflows of resources related to pensions will be recognized in pension expense as follows:

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

Year Ending	
<u>June 30,</u>	
2025	\$ (15,391.00)
2026	16,647.00
2027	(5,370.00)
2028	(1,971.00)
2029	2,791.00
	<u>\$ (3,294.00)</u>

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which 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 this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

However, the notes to the financial statements of the local participating employers must disclose the portion of the 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.

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.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2024. At June 30, 2024, the State's proportionate share of the employer pension expense and related revenue, associated with the District, calculated by the plan as of the June 30, 2024 measurement date was \$1,372.00.

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

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 570,024	\$ 425,410	\$ 308,973

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

	<u>6/30/2025</u>	<u>6/30/2024</u>
Collective Deferred Outflows of Resources	\$ 1,079,580,780	\$ 1,080,204,730
Collective Deferred Inflows of Resources	1,611,322,898	1,780,216,457
Collective Net Pension Liability	13,702,423,985	14,606,489,066
School District's portion	0.00313%	0.00239%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

Contributions - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2025, the State's pension contribution was less 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.

Components of Net Pension Liability: - At June 30, 2025, the State's proportionate share of the TPAF net pension liability attributable to the School District was \$5,059,787.00. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.01023728%, which was an decrease of 0.00275458% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized a pension credit in the amount of (\$18,457.00) for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension credit was based on the pension plans June 30, 2024 measurement date.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75% - 5.65%
	Based on Years of Service

Investment Rate of Return	7.00%
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Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 6,014,273	\$ 5,059,787	\$ 4,255,929

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

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

	<u>6/30/2025</u>	<u>6/30/2024</u>
Collective Deferred Outflows of Resources	\$ 1,178,433,819	\$ 2,502,380,838
Collective Deferred Inflows of Resources	10,615,423,132	14,830,205,473
Collective Net Pension Liability	49,492,072,325	51,109,961,824
State's Proportionate Share associated with	0.01024%	0.01299%

C. Defined Contribution Retirement Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2021 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 education employees.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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

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

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The schedule of total nonemployer OPEB liability (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 Benefits 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.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Other Post-Retirement Benefits (Continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability of \$59,650,630,530 as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases	2.75% to 5.65% based on years of service	2.75% to 6.55% based on years of service	3.25% to 16.25% based on years of service

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

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

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

OPEB 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, 2024 was \$7,436,457.00. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2024, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the OPEB Obligation attributable to the School District was 0.012467%, which was a increase of 0.000739% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized an OPEB expense in the amount of \$130,964.00 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2024 measurement date.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Other Post-Retirement Benefits (Continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 19.36% in fiscal year 2027, and decreases to 4.50% in fiscal year 2034. For HMO, the trend rate is increasing to 22.88% in fiscal year 2027, and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

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

	June 30, 2024		
	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 8,709,683.79	\$ 7,436,457.00	\$ 6,412,518.39
State of New Jersey's Total Nonemployer OPEB Liability	\$ 69,863,663,542.00	\$ 59,650,630,530.00	\$ 51,437,232,141.00

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

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

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate*	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 5,446,621.64	\$ 7,436,457.00	\$ 9,054,027.97
State of New Jersey's Total Nonemployer OPEB Liability	\$ 43,689,409,509.00	\$ 59,650,630,530.00	\$ 72,625,778,279.00

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Other Post-Retirement Benefits (Continued)

Additional Information (continued):

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience	\$ 6,378,932,312.00	\$ 11,139,706,892.00
Change in Assumptions	10,004,978,073.00	11,662,607,882.00
Contributions Made in Fiscal Year Year Ending 6/30/2024 After Measurement Date **	TBD	N/A
	<u>\$ 16,383,910,385.00</u>	<u>\$ 22,802,314,774.00</u>

Amounts Recognized in the 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,	
2025	\$ (2,115,877,507.00)
2026	(1,774,175,666.00)
2027	(842,677,045.00)
2028	221,470,185.00
2029	(1,537,725,697.00)
Thereafter	(369,418,659.00)
	<u>\$ (6,418,404,389.00)</u>

Plan Membership

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

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

Changes in the Total OPEB Liability

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

Total OPEB Liability

Service Cost	\$ 2,152,062,729.00
Interest Cost	1,963,557,443.00
Difference Between Expected & Actual Experience	158,934,425.00
Changes of Assumptions	4,462,660,491.00
Contributions: Member	51,347,810.00
Gross Benefit Payments	<u>(1,499,600,607.00)</u>
Net Change in Total OPEB Liability	7,288,962,291.00
Total OPEB Liability (Beginning)	<u>52,361,668,239.00</u>
Total OPEB Liability (Ending)	<u>\$ 59,650,630,530.00</u>
Total Covered Employee Payroll	\$ 15,845,935,573.00
Net OPEB Liability as a Percentage of Payroll	376.44%

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and 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, 2025, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$512,930.00, \$102,494.28, \$149,879.00 and \$369.00, respectively.

Note 11. Risk Management

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

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

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

Note 12. Contingencies

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

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

Note 13. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. 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:

Valic Investments

First Financial

Fidelity Investments

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$604,227.50 at June 30, 2025. This estimate includes leave that is expected to be paid upon separation from service, and vacation and sick leave to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

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

Note 15. Tax Abatements

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

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

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7. New Jersey school districts are required to reserve General Fund 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, 2025 was \$0.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 17. Fund Balances

General Fund – Of the \$1,418,252.37 General Fund balance at June 30, 2025, \$353,857.90 has been restricted for the Capital Reserve Account; \$433,000.00 has been restricted for the Maintenance Reserve Account; \$235,087.79 is restricted for prior year excess surplus; \$156,716.21 is assigned - designated for subsequent year's expenditures; \$73,255.00 is assigned for other purposes and \$166,335.47 is unassigned.

Special Revenue Fund – Of the (\$40,653.87) Special Revenue Fund fund balance at June 30, 2025, \$1,616.13 is restricted for student activities and (\$42,270.00) is unassigned.

Debt Service Fund – Of the \$1.45 Debt Service Fund balance at June 30, 2025, \$1.45 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$699,285.24 at June 30, 2025. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2025. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Deficit in Fund Balance

The District has a deficit fund balance of (\$40,653.87) in the Special Revenue Fund as of June 30, 2025 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the June state aid payments, the Special Revenue Fund fund balance deficit does not alone indicate that the District is facing financial difficulties. The District deficit in the governmental funds statements of \$40,653.87 is equal to the last two state aid payments.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 20. Prior Period Adjustment/Restatement of Net Position

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

Net Position as previously reported at June 30, 2024	\$ 2,706,266.18
Prior Period Adjustment- Implementation of GASB 101: Non-Current Liabilities	<u>(301,617.59)</u>
Net Position as restated, July 1, 2024	<u><u>\$ 2,404,648.59</u></u>

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

Long-Term Liabilities as previously reported at June 30, 2024	\$ 3,669,465.37
Prior Period Adjustment- Implementation of GASB 101: Non-Current Liabilities	<u>301,617.59</u>
Long-Term Liabilities as restated, July 1, 2024	<u><u>\$ 3,971,082.96</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	ACCOUNT NUMBERS	JUNE 30, 2025				VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 2,725,321.00	\$ -	\$ 2,725,321.00	\$ 2,725,321.00	\$ -
Unrestricted Miscellaneous Revenues	10-1990	-	-	-	31,477.28	31,477.28
Total Local Sources		2,725,321.00	-	2,725,321.00	2,756,798.28	31,477.28
State Sources:						
Categorical Transportation Aid	10-3121	59,476.00	-	59,476.00	59,476.00	-
Extraordinary Aid	10-3131	-	-	-	62,273.00	62,273.00
Categorical Special Education Aid	10-3132	91,218.00	-	91,218.00	91,218.00	-
Stabilization Aid	10-3171	12,520.00	-	12,520.00	12,520.00	-
Equalization Aid	10-3176	347,556.00	-	347,556.00	347,556.00	-
Categorical Security Aid	10-3177	36,819.00	-	36,819.00	36,819.00	-
Non-Public Transportation	10-3190	-	-	-	3,269.00	3,269.00
Nonbudgeted:						
TPAF Pension (on-behalf)		-	-	-	512,930.00	512,930.00
TPAF Social Security (reimbursed)		-	-	-	102,494.28	102,494.28
TPAF Post Retirements		-	-	-	149,879.00	149,879.00
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	369.00	369.00
Total State Sources		547,589.00	-	547,589.00	1,378,803.28	831,214.28
Total Revenues		3,272,910.00	-	3,272,910.00	4,135,601.56	862,691.56

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	11-110-100-101	76,870.00	(13,760.00)	63,110.00	-
Grades 1-5 - Salaries of Teachers	11-120-100-101	442,995.00	(63,602.06)	379,392.94	-
Grades 6-8 - Salaries of Teachers	11-130-100-101	126,920.00	(64,985.00)	61,935.00	-
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11-190-100-106	264,868.00	(11,331.86)	253,536.14	2,784.37
Purchased Professional - Educational Services	11-190-100-320	-	22,587.68	22,587.68	-
Other Purchased Services	11-190-100-500	19,200.00	(8,405.26)	10,794.74	-
General Supplies	11-190-100-610	151,940.00	(625.20)	151,314.80	3,169.40
Textbooks	11-190-100-640	2,343.00	44,792.01	47,135.01	-
Total Regular Programs - Instruction		1,085,136.00	(95,329.69)	989,806.31	5,953.77
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	145,820.00	55,880.00	201,700.00	-
Other Salaries for Instruction	11-204-100-106	87,675.00	(14,353.46)	73,321.54	-
Purchased Professional - Educational Services	11-204-100-320	94,600.00	3,618.00	98,218.00	-
Other Purchased Services	11-204-100-500	3,300.00	(1,290.00)	2,010.00	-
General Supplies	11-204-100-610	500.00	-	500.00	500.00
Total Learning and/or Language Disabilities		331,895.00	43,854.54	375,749.54	500.00
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	63,910.00	68,406.00	132,316.00	-
Other Salaries	11-213-100-106	10,000.00	23,649.73	33,649.73	-
Other Purchased Services	11-213-100-500	3,300.00	(450.00)	2,850.00	525.33
General Supplies	11-213-100-610	250.00	-	250.00	200.01
Total Resource Room/Resource Center		77,460.00	91,605.73	169,065.73	725.34
Total Special Education - Instruction		409,355.00	135,460.27	544,815.27	1,225.34

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	JUNE 30, 2025			VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL
Basic Skills/Remedial - Instruction:				
Salaries of Teachers	15,935.00	(15,935.00)	-	-
Other Purchased Services	3,300.00	(1,582.00)	1,718.00	-
General Supplies	250.00	-	250.00	250.00
Total Basic Skills/Remedial - Instruction	19,485.00	(17,517.00)	1,968.00	250.00
Undistributed Expenditures - Instruction (Tuition):				
Tuition to Other LEAs Within State - Special	44,246.00	(34,939.78)	9,306.22	0.50
Tuition to Private School Disabled - Within State	100,506.00	(83,120.02)	17,385.98	4,210.72
Total Undistributed Expenditures - Instruction (Tuition)	144,752.00	(118,059.80)	26,692.20	4,211.22
Undistributed Expenditures Attendance and Social Work:				
Salaries	84,057.00	(21,823.47)	62,233.53	120.00
Other Purchased Services	-	12,677.50	12,677.50	-
Total Undistributed Expenditures Attendance and Social Work	84,057.00	(9,145.97)	74,911.03	120.00
Undistributed Expenditures - Health Services:				
Salaries	49,609.00	2,000.00	51,609.00	-
Supplies and Materials	1,200.00	-	1,200.00	807.58
Total Undistributed Expenditures - Health Services	50,809.00	2,000.00	52,809.00	807.58
Undistributed Expenditures -				
Speech, OT, PT and Related Services:				
Salaries	42,935.00	(5,123.37)	37,811.63	-
Supplies and Materials	500.00	(93.06)	406.94	5.40
Total Undistributed Expenditures -	43,435.00	(5,216.43)	38,218.57	5.40
Speech, OT, PT and Related Services				
Undistributed Expenditures -				
Other Support Services - Extra Services:				
Salaries	24,000.00	2,823.00	26,823.00	-
Total Undistributed Expenditures -	24,000.00	2,823.00	26,823.00	-
Other Support Services - Extra Services				
Undistributed Expenditures - Child Study Teams:				
Salaries of Other Professional Staff	30,000.00	21,673.71	51,673.71	-
Purchased Professional - Educational Services	25,270.00	28,625.21	53,895.21	-
Supplies and Materials	1,000.00	7,710.36	8,710.36	2,311.43
Total Undistributed Expenditures - Child Study Teams	56,270.00	58,009.28	114,279.28	2,311.43

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Educational Media Services/Library: Supplies and Materials	11-000-222-600	600.00	-	600.00	600.00
Total Undistributed Expenditures - Educational Media Services/Library		600.00	-	600.00	600.00
Undistributed Expenditures - Instructional Staff Training Services: Purchased Professional - Educational Services	11-000-223-320	1,500.00	1,919.00	3,419.00	-
Total Undistributed Expenditures - Instructional Staff Training Services		1,500.00	1,919.00	3,419.00	-
Undistributed Expenditures - Support Services - General Administration: Salaries	11-000-230-100	82,400.00	(40,746.51)	41,653.49	58.83
Legal Services	11-000-230-331	23,665.00	4,582.60	28,247.60	-
Audit Fees	11-000-230-332	30,000.00	3,000.00	33,000.00	-
Other Purchased Professional Services	11-000-230-339	-	35,695.00	35,695.00	-
Communications/Telephone	11-000-230-530	500.00	704.73	1,204.73	199.78
BOE Other Purchased Professional Services	11-000-230-585	500.00	(500.00)	-	-
Other Purchased Services	11-000-230-590	1,000.00	447.14	1,447.14	-
General Supplies	11-000-230-610	250.00	289.00	539.00	-
Miscellaneous Expenditures	11-000-230-890	10,500.00	8,042.27	18,542.27	1,010.50
BOE Membership Dues and Fees	11-000-230-895	10,000.00	(4,363.86)	5,636.14	-
Total Undistributed Expenditures - Support Services - General Administration		158,815.00	7,150.37	165,965.37	1,269.11
Undistributed Expenditures - Support Services - School Administration: Salaries of Principals/Assistant Principals Salaries of Secretaries & Clerical Assistants	11-000-240-103 11-000-240-105	32,691.00 20,000.00	11,675.21 -	44,366.21 20,000.00	- -
Total Undistributed Expenditures - Support Services - School Administration		52,691.00	11,845.67	64,536.67	170.46

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Central Services:					
Salaries	11-000-251-100	19,828.00	172.00	20,000.00	19,999.92
Miscellaneous Expenditures	11-000-251-890	5,000.00	(5,000.00)	-	-
Total Undistributed Expenditures - Central Services		24,828.00	(4,828.00)	20,000.00	19,999.92
Undistributed Expenditures -					
Required Maintenance for School Facilities:					
Salaries	11-000-261-100	25,484.00	(9,537.16)	15,946.84	15,946.84
Cleaning, Repair & Maintenance Services	11-000-261-420	49,110.00	95,523.60	144,633.60	144,633.60
General Supplies	11-000-261-610	15,000.00	2,152.85	17,152.85	17,152.85
Total Undistributed Expenditures -		89,594.00	88,139.29	177,733.29	177,733.29
Required Maintenance for School Facilities					-
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	68,978.00	10,769.41	79,747.41	79,124.43
Insurance	11-000-262-520	50,000.00	7,971.93	57,971.93	57,971.93
Energy (Electricity)	11-000-262-622	59,000.00	(7,212.09)	51,787.91	50,852.44
Energy (Gasoline)	11-000-262-626	21,000.00	2,471.34	23,471.34	23,471.34
Other Objects	11-000-262-800	1,500.00	(75.37)	1,424.63	795.15
Total Undistributed Expenditures - Custodial Services		200,478.00	13,925.22	214,403.22	212,215.29
Security:					
Salaries	11-000-266-100	49,000.00	(4,209.77)	44,790.23	44,790.23
General Supplies	11-000-266-610	6,200.00	-	6,200.00	4,908.00
Total Security		55,200.00	(4,209.77)	50,990.23	49,698.23
					1,292.00
					1,292.00

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Student Transportation Services:					
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	55,626.00	16,184.84	71,810.84	850.00
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	10,000.00	593.00	10,593.00	-
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	5,000.00	(4,227.09)	772.91	-
Contract Services (Between Home & School) - Joint Agreement	11-000-270-513	128,000.00	37,444.17	165,444.17	76.65
Contract Services (Special Education) - Vendors	11-000-270-514	60,000.00	(33,678.07)	26,321.93	-
Total Undistributed Expenditures -		258,626.00	16,316.85	274,942.85	926.65
Student Transportation Services				274,016.20	
Unallocated Benefits:					
Social Security Contributions	11-000-291-220	39,000.00	11,161.50	50,161.50	-
Other Retirement Contributions - PERS	11-000-291-241	35,000.00	(35,000.00)	-	-
Unemployment Compensation	11-000-291-250	9,000.00	2,456.12	11,456.12	260.81
Health Benefits	11-000-291-270	712,500.00	(74,970.57)	637,529.43	789.98
Other Employee Benefits	11-000-291-290	53,316.00	27,370.66	80,686.66	-
Unused Sick Payment to Staff	11-100-100-299	14,300.00	(14,300.00)	-	-
Total Unallocated Benefits		863,116.00	(83,282.29)	779,833.71	1,050.79
Nonbudgeted:					
TPAF Pension (on-behalf)		-	-	-	(512,930.00)
TPAF Social Security (reimbursed)		-	-	-	(102,494.28)
TPAF Post Retirements		-	-	-	(149,879.00)
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	(369.00)
Total Undistributed Expenditures		2,108,771.00	(22,613.58)	2,086,157.42	(750,719.63)
Total Expenditures - Current Expense		3,622,747.00	-	3,622,747.00	(743,290.52)
Facilities Acquisition & Construction Services:					
Buildings	12-000-400-720	-	80,000.00	80,000.00	80,000.00
Total Facilities Acquisition & Construction Services		-	80,000.00	80,000.00	80,000.00
Assets Acquired Under Capital Leases (Non-Budgeted):					
Financed Purchases (Non-Budgeted)		-	-	-	(100,000.00)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)		-	-	-	(100,000.00)

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Total Capital Outlay		-	80,000.00	80,000.00	(20,000.00)
Total Expenditures		3,622,747.00	80,000.00	3,702,747.00	(763,290.52)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)		(349,837.00)	(80,000.00)	(429,837.00)	99,401.04
Other Financing Sources/(Uses):					
Transfers In/(Out):					
Transfer from/(to) Other Funds		-	-	-	(6,315.36)
Financed Purchases (Non-Budgeted)		-	-	-	100,000.00
Total Other Financing Sources/(Uses)		-	-	-	93,684.64
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Fund Balances, July 1		(349,837.00)	(80,000.00)	(429,837.00)	193,085.68
		1,708,498.69	-	1,708,498.69	-
Fund Balances, June 30		\$ 1,358,661.69	\$ (80,000.00)	\$ 1,278,661.69	\$ 193,085.68

RECAPITULATION OF BUDGET TRANSFERS

Withdrawal from Capital Reserve	\$ 80,000.00
	<u>\$ 80,000.00</u>

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
RECAPITULATION OF FUND BALANCE					
Restricted Fund Balance:					
	Capital Reserve			\$	353,857.90
	Maintenance Reserve				433,000.00
	Excess Surplus Designated for Subsequent Year's Expenditures				235,087.79
Assigned Fund Balance:					
	Designated for Subsequent Year's Expenditures				156,716.21
	Year-End Encumbrances				73,255.00
	Unassigned Fund Balance				219,830.47
	Subtotal				<u>1,471,747.37</u>
Reconciliation to Governmental Funds Statements (GAAP)					
	Last State Aid Payments Not Recognized on GAAP Basis				<u>(53,495.00)</u>
	Fund Balance per Governmental Funds (GAAP)			\$	<u>1,418,252.37</u>

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	JUNE 30, 2025				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 6,381.06	\$ 6,381.06	\$ 5,822.68	\$ (558.38)
State Sources	534,576.00	-	534,576.00	534,576.00	-
Federal Sources	132,276.00	37,005.00	169,281.00	169,281.00	-
Total Revenues	666,852.00	43,386.06	710,238.06	709,679.68	(558.38)
Expenditures:					
Instruction:					
Salaries of Teachers	199,970.00	(14,193.06)	185,776.94	185,776.94	-
Other Salaries for Instruction	62,270.00	22,646.22	84,916.22	84,916.22	-
Other Purchased Services (400-500 Series)	33,583.00	14,722.00	48,305.00	48,305.00	-
General Supplies	16,481.00	23,219.75	39,700.75	39,700.75	-
Total Instruction	312,304.00	46,394.91	358,698.91	358,698.91	-
Support Services:					
Salaries of Other Professional Staff	128,755.00	(12,205.14)	116,549.86	116,549.86	-
Personal Services - Employee Benefits	17,672.00	(17,672.00)	-	-	-
Purchased Educational Services	16,000.00	126,346.52	142,346.52	142,346.52	-
Other Purchased Services (400-500 Series)	50,000.00	(19,572.84)	30,427.16	30,427.16	-
Supplies and Materials	7,225.00	2,862.95	10,087.95	10,087.95	-
Other Objects	3,265.00	(3,265.00)	-	-	-
Student Activities	-	6,381.06	6,381.06	6,381.06	-
Total Support Services	222,917.00	82,875.55	305,792.55	305,792.55	-
Facilities Acquisition & Construction Services:					
Instructional Equipment	56,631.00	(54,954.30)	1,676.70	1,676.70	-
Noninstructional Equipment	75,000.00	(30,930.10)	44,069.90	44,069.90	-
Total Facilities Acquisition & Construction Services	131,631.00	(85,884.40)	45,746.60	45,746.60	-
Total Expenditures	666,852.00	43,386.06	710,238.06	710,238.06	-
Total Outflows	666,852.00	43,386.06	710,238.06	710,238.06	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	(558.38)	<u><u>(558.38)</u></u>

Fund Balances, July 1 2,174.51

Fund Balances, June 30 \$ 1,616.13

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:

Student Activities	<u>\$ 1,616.13</u>
	<u><u>\$ 1,616.13</u></u>

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
JUNE 30, 2025**

**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)	\$ 4,135,601.56	\$ 709,679.68
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	65,478.27
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(53,495.00)	(42,270.00)
Prior Year	56,293.00	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 4,138,399.56	\$ 732,887.95
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 4,466,037.52	\$ 710,238.06
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	65,478.27
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 4,466,037.52	\$ 775,716.33

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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EAGLESWOOD 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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's proportion of the net pension liability	0.00313%	0.00240%	0.00344%	0.00394%	0.00255%	0.00245%	0.00236%	0.00234%	0.00252%	0.00335%
School District's proportionate share of the net pension liability	\$ 425,410.00	\$ 346,697.00	\$ 517,886.00	\$ 466,661.00	\$ 415,798.00	\$ 441,929.00	\$ 465,100.00	\$ 544,674.00	\$ 745,608.00	\$ 752,895.00
School District's covered payroll	\$ 265,984.00	\$ 204,627.00	\$ 217,168.00	\$ 261,863.00	\$ 249,801.00	\$ 186,195.00	\$ 166,173.00	\$ 157,644.00	\$ 168,237.00	\$ 206,897.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	159.94%	169.43%	238.47%	178.21%	166.45%	237.35%	279.89%	345.51%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's contractually required contribution	\$ 42,601.00	\$ 31,991.00	\$ 31,991.00	\$ 43,275.00	\$ 46,133.00	\$ 27,893.00	\$ 23,857.00	\$ 23,496.00	\$ 21,676.00	\$ 22,365.00
Contributions in relation to the contractually required contribution	(42,601.00)	(31,991.00)	(31,991.00)	(43,275.00)	(46,133.00)	(27,893.00)	(23,857.00)	(23,496.00)	(21,676.00)	(22,365.00)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 371,310.00	\$ 265,984.00	\$ 204,627.00	\$ 217,168.00	\$ 261,863.00	\$ 249,801.00	\$ 186,195.00	\$ 166,173.00	\$ 157,644.00	\$ 168,237.00
Contributions as a percentage of covered payroll	11.47%	12.03%	15.63%	19.93%	17.62%	11.17%	12.81%	14.14%	13.75%	13.29%

EAGLESWOOD 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*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability	\$ 5,059,787.00	\$ 6,630,095.00	\$ 5,704,081.00	\$ 5,838,414.00	\$ 7,967,559.00	\$ 7,290,866.00	\$ 7,231,372.00	\$ 8,108,488.00	\$ 8,838,970.00	\$ 6,432,113.00
associated with the School District	\$ 5,059,787.00	\$ 6,630,095.00	\$ 5,704,081.00	\$ 5,838,414.00	\$ 7,967,559.00	\$ 7,290,866.00	\$ 7,231,372.00	\$ 8,108,488.00	\$ 8,838,970.00	\$ 6,432,113.00
School District's covered payroll	\$ 1,352,659.00	\$ 1,378,130.00	\$ 1,362,035.00	\$ 1,358,754.00	\$ 1,385,161.00	\$ 1,233,656.00	\$ 1,316,320.00	\$ 1,233,850.00	\$ 1,185,375.00	\$ 1,197,891.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

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

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**EAGLESWOOD BOARD OF EDUCATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST EIGHT FISCAL YEARS***

	2025	2024	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability								
Service Cost	\$ 239,174	\$ 297,477	\$ 355,301	\$ 422,543	\$ 223,445	\$ 237,061	\$ 263,647	\$ 317,495
Interest Cost	244,791	216,269	164,720	185,531	200,489	252,358	272,459	234,355
Change in Benefit Terms	-	-	-	-	-	-	11,766	12,672
Difference between Expected & Actual Differences	435,961	(437,943)	368,872	(2,362,552)	1,537,622	(1,192,080)	(703,449)	-
Changes of Assumptions	556,346	12,377	(1,667,390)	7,056	1,651,452	83,205	(730,547)	(945,515)
Contributions: Member	6,401	5,542	5,234	4,743	4,771	5,078	(5,883)	(6,336)
Gross Benefit Payments	(186,951)	(168,585)	(163,160)	(146,146)	(157,394)	(171,304)	(170,228)	(172,057)
Net Change in District's Total OPEB Liability	1,295,722	(74,863)	(936,423)	(1,888,825)	3,460,385	(785,682)	(1,062,235)	(559,386)
District's Total OPEB Liability (Beginning)	6,140,735	6,215,598	7,152,021	9,040,846	5,580,461	6,366,143	7,428,378	7,987,764
District's Total OPEB Liability (Ending)	\$ 7,436,457	\$ 6,140,735	\$ 6,215,598	\$ 7,152,021	\$ 9,040,846	\$ 5,580,461	\$ 6,366,143	\$ 7,428,378
District's Covered Employee Payroll	\$ 1,723,969	\$ 1,644,114	\$ 1,566,662	\$ 1,575,922	\$ 1,647,024	\$ 1,483,457	\$ 1,502,515	\$ 1,400,023
District's Net OPEB Liability as a Percentage of Payroll	431%	373%	397%	454%	549%	376%	424%	531%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2025**

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

None.

Changes in Assumptions

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

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

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

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

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

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

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

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

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

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

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

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	3.93%	2021	2.16%	2018	3.87%
2023	3.65%	2020	2.21%	2017	3.58%
2022	3.54%	2019	3.50%	2016	2.85%

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025**

	Title I	Title IIA	Title IV	REAP	High Impact Learning	IDEA Part B Basic	IDEA Pre-School	Preschool Education Aid/Expansion Aid	Student Activities	TOTAL
Revenues:										
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,822.68	\$ 5,822.68
State Sources	-	-	-	-	-	-	-	534,576.00	-	534,576.00
Federal Sources	35,587.00	3,838.00	10,000.00	16,253.00	51,900.00	48,305.00	3,398.00	-	-	169,281.00
Total Revenues	35,587.00	3,838.00	10,000.00	16,253.00	51,900.00	48,305.00	3,398.00	534,576.00	5,822.68	709,679.68
Expenditures:										
Instruction:										
Salaries of Teachers	\$ 35,587.00	\$ -	\$ -	\$ -	\$ 23,695.06	\$ -	\$ 3,398.00	\$ 123,096.88	\$ -	\$ 185,776.94
Other Salaries for Instruction	-	-	-	-	-	-	-	84,916.22	-	84,916.22
Other Purchased Services (400-500 Series)	-	-	-	-	-	48,305.00	-	-	-	48,305.00
General Supplies	-	-	-	16,253.00	21,329.94	-	-	2,117.81	-	39,700.75
Total Instruction	35,587.00	-	-	16,253.00	45,025.00	48,305.00	3,398.00	210,130.91	-	358,698.91
Support Services:										
Salaries of Other Professional Staff	-	-	-	-	-	-	-	116,549.86	-	116,549.86
Purchased Educational Services	-	-	-	-	6,875.00	-	-	135,471.52	-	142,346.52
Other Purchased Services (400-500 Series)	-	3,838.00	-	-	-	-	-	26,589.16	-	30,427.16
Supplies and Materials	-	-	10,000.00	-	-	-	-	87.95	-	10,087.95
Student Activities	-	-	-	-	-	-	-	-	6,381.06	6,381.06
Total Support Services	-	3,838.00	10,000.00	-	6,875.00	-	-	278,698.49	6,381.06	305,792.55
Facilities Acquisition & Construction Services:										
Instructional Equipment	-	-	-	-	-	-	-	1,676.70	-	1,676.70
Noninstructional Equipment	-	-	-	-	-	-	-	44,069.90	-	44,069.90
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-	-	45,746.60	-	45,746.60
Total Expenditures	35,587.00	3,838.00	10,000.00	16,253.00	51,900.00	48,305.00	3,398.00	534,576.00	6,381.06	710,238.06
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-	(558.38)	(558.38)
Fund Balances, July 1	-	-	-	-	-	-	-	-	2,174.51	2,174.51
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,616.13	\$ 1,616.13

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
STATEMENT OF BUDGET EXPENDITURES
BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025**

	2025		
	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 123,096.88	\$ 123,096.88	\$ -
Other Salaries for Instruction	84,916.22	84,916.22	-
General Supplies	2,117.81	2,117.81	-
Total Instruction	210,130.91	210,130.91	-
Support Services:			
Salaries of Other Professional Staff	116,549.86	116,549.86	-
Purchased Educational Services	135,471.52	135,471.52	-
Other Purchased Services (400-500 Series)	26,589.16	26,589.16	-
Supplies and Materials	87.95	87.95	-
Total Support Services	278,698.49	278,698.49	-
Facilities Acquisition & Construction Services:			
Instructional Equipment	1,676.70	1,676.70	-
Noninstructional Equipment	44,069.90	44,069.90	-
Total Facilities Acquisition & Construction Services	45,746.60	45,746.60	-
Total Expenditures	\$ 534,576.00	\$ 534,576.00	\$ -

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2024-2025 Preschool Education Aid Allocation	\$ 422,576.00
Add: Actual Preschool Education Aid Carryover (June 30, 2024)	<u>112,000.00</u>
Total Preschool Education Aid Funds Available for 2024-2025 Budget	<u>534,576.00</u>
Less: 2024-2025 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(534,576.00)</u>
2024-2025 Carryover- Preschool Education Aid Funds	<u>\$ -</u>

F. Capital Projects Fund

Not Applicable

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED JUNE 30, 2025

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30,		RETIRED	BALANCE JUNE 30, 2025
			DATE	AMOUNT		2024	2025		
General Improvements	5/25/2016	\$ 4,393,000.00	9/15/2025	\$ 205,000.00	1.800%	\$ 3,190,000.00	\$ 195,000.00	\$ 2,995,000.00	
			9/15/2026	210,000.00	1.950%				
			9/15/2027	220,000.00	2.200%				
			9/15/2028	225,000.00	2.300%				
			9/15/2029	235,000.00	2.350%				
			9/15/2030	245,000.00	2.500%				
			9/15/2031	250,000.00	2.600%				
			9/15/2032	260,000.00	2.700%				
			9/15/2033	270,000.00	2.800%				
			9/15/2034	280,000.00	2.900%				
			9/15/2035	290,000.00	3.000%				
			9/15/2033	305,000.00	3.050%				
Total						\$ 3,190,000.00	\$ 195,000.00	\$ 2,995,000.00	

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
YEAR ENDED JUNE 30, 2025

PURPOSE	AMOUNT OF LEASE	INTEREST RATE	AMOUNT OUTSTANDING		ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2025
			JUNE 30, 2024				
Various Equipment	\$ 100,000.00	4.762%	\$ -	\$ 100,000.00	\$ 22,000.00	\$ 78,000.00	

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	JUNE 30, 2025			VARIANCE
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Revenues:				
Local Sources:				
Local Tax Levy	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ -
State Sources:				
Debt Service Aid Type II	77,166.00	77,166.00	77,166.00	-
Total Revenues	272,166.00	272,166.00	272,166.00	-
Expenditures:				
Regular Debt Service:				
Interest	77,166.00	83,481.26	83,481.26	-
Redemption of Principal	195,000.00	195,000.00	195,000.00	-
Total Regular Debt Service	272,166.00	278,481.26	278,481.26	-
Total Expenditures	272,166.00	278,481.26	278,481.26	-
Excess/(Deficiency) of Revenues Over/(Under)				
Expenditures Before Other Financing	-	(6,315.26)	(6,315.26)	-
Sources/(Uses)				
Other Financing Sources/(Uses):				
Transfers In(Out):				
Transfer from/(to) Other Funds	-	-	6,315.36	(6,315.36)
Total Other Financing Sources/(Uses)	-	-	6,315.36	(6,315.36)
Excess/(Deficiency) of Revenues				
Over/(Under) Expenditures	-	(6,315.26)	0.10	(6,315.36)
Fund Balance, July 1,	1.35	-	1.35	1.35
Fund Balance, June 30,	\$ 1.35	\$ (6,315.26)	\$ 1.45	\$ (6,314.01)

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STATISTICAL SECTION (Unaudited)

Third Section

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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. The Exhibits are presented for the last ten fiscal years.

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 1,676,589.00	\$ 1,638,644.00	\$ 1,646,924.00	\$ 1,785,310.00	\$ 1,615,493.00	\$ 1,490,196.00	\$ 1,416,818.00	\$ 1,333,244.00	\$ 876,115.00	\$ (3,321,193.00)
Restricted	1,023,563.27	1,337,449.55	917,857.82	698,328.00	640,788.00	536,365.00	459,184.00	685,041.00	444,092.00	4,634,633.00
Unrestricted (Deficit)	(699,285.24)	(269,827.37)	(226,625.14)	(467,149.00)	(582,530.00)	(599,227.00)	(627,684.00)	(772,184.00)	(611,721.00)	(520,868.00)
Total Governmental Activities										
Net Position	\$ 2,000,867.03	\$ 2,706,266.18	\$ 2,338,156.68	\$ 2,016,489.00	\$ 1,673,751.00	\$ 1,427,334.00	\$ 1,248,318.00	\$ 1,246,101.00	\$ 708,486.00	\$ 792,572.00
Business-Type Activities:										
Unrestricted (Deficit)	\$ -	\$ -	\$ 54,294.73	\$ 52,403.00	\$ 47,888.00	\$ 48,005.00	\$ 45,355.00	\$ 43,426.00	\$ 36,343.00	\$ 32,955.00
Total Business-Type Activities										
Net Position	\$ -	\$ -	\$ 54,294.73	\$ 52,403.00	\$ 47,888.00	\$ 48,005.00	\$ 45,355.00	\$ 43,426.00	\$ 36,343.00	\$ 32,955.00
District-Wide:										
Net Investment in Capital Assets	\$ 1,676,589.00	\$ 1,638,644.00	\$ 1,646,924.00	\$ 1,785,310.00	\$ 1,615,493.00	\$ 1,490,196.00	\$ 1,416,818.00	\$ 1,333,244.00	\$ 876,115.00	\$ (3,321,193.00)
Restricted	1,023,563.27	1,337,449.55	917,857.82	698,328.00	640,788.00	536,365.00	459,184.00	685,041.00	444,092.00	4,634,633.00
Unrestricted (Deficit)	(699,285.24)	(269,827.37)	(172,330.41)	(414,746.00)	(534,642.00)	(551,222.00)	(582,329.00)	(728,758.00)	(575,378.00)	(487,913.00)
Total District Net Position	\$ 2,000,867.03	\$ 2,706,266.18	\$ 2,392,451.41	\$ 2,068,892.00	\$ 1,721,639.00	\$ 1,475,339.00	\$ 1,293,673.00	\$ 1,289,527.00	\$ 744,829.00	\$ 654,327.00

Source: ACFR Schedule A-1

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 2,511,829.64	\$ 2,533,607.24	\$ 2,831,557	\$ 1,241,084	\$ 981,441	\$ 1,570,315	\$ 1,680,121	\$ 1,893,741	\$ 809,196	\$ 782,949
Special Education	969,727.61	564,060.75	369,319	404,449	310,345	427,175	454,626	504,486	304,641	288,604
Other Instruction	3,064.80	6,920.69	61,936	122,942	213,441	405,536	376,234	393,915	173,942	172,790
Support Services:										
Tuition	29,775.63	93,321.88	248,005	63,711	57,307	181,814	372,607	243,557	116,573	116,245
Attendance & Social Work Services	-	-	-	106,674	110,139	-	-	-	-	-
Health Services	-	-	-	66,580	69,038	-	-	-	-	-
Student & Instruction Related Services	957,664.13	668,858.13	662,484	253,333	240,414	479,841	409,812	409,082	303,292	306,413
Educational Media Services/School Library	-	-	-	595	595	-	-	-	-	-
Instructional Staff Training	-	-	-	1,027	2,042	-	-	-	-	-
Other Administrative Services	93,035.08	164,693.06	174,081	-	-	232,508	186,653	170,030	129,955	143,647
Central Services	26,489.52	49,158.92	238,038	-	-	86,932	99,032	97,772	74,718	78,125
School Administrative Services	85,251.83	71,801.43	72,395	7,958	3,000	3,957	3,228	3,304	-	-
General Administrative Services	-	-	-	166,614	145,592	-	-	-	-	-
Plant Operations & Maintenance	560,303.88	371,334.59	336,366	219,325	203,992	263,319	231,821	216,743	162,146	155,309
Pupil Transportation	362,929.27	326,544.76	245,014	135,184	193,227	263,250	266,035	223,357	147,177	146,917
Business & Other Support Services	-	-	-	66,912	65,000	-	-	-	-	-
Unallocated Benefits	-	-	-	838,800	909,503	-	-	-	866,532	1,095,038
On Behalf TPAP Pension & Social Security Contributions	-	-	-	242,572	603,806	-	-	-	-	-
Interest & Other Charges	85,270.04	86,222.26	91,081	-	-	115,990	124,840	141,899	128,203	50,290
Interest on Long-Term Debt	-	-	-	96,846	106,709	-	-	-	-	-
Unallocated Depreciation	-	-	-	198,473	201,286	-	-	-	62,052	62,357
Total Governmental Activities Expenses	5,685,341.43	4,938,523.70	5,330,276	4,233,079	4,416,877	4,030,637	4,205,009	4,297,886	3,278,427	3,398,684
Business-Type Activities:										
Food Service	-	53.60	10,153	17,263	117	10,262	15,245	12,782	7,903	13,680
Total Business-Type Activities Expense	-	53.60	10,153	17,263	117	10,262	15,245	12,782	7,903	13,680
Total District Expenses	\$ 5,685,341.43	\$ 4,938,577.30	\$ 5,340,429	\$ 4,250,342	\$ 4,416,994	\$ 4,040,899	\$ 4,220,254	\$ 4,310,668	\$ 3,286,330	\$ 3,412,364
Program Revenues:										
Operating Grants & Contributions	\$ 1,584,604.63	\$ 1,606,214	\$ 1,847,513	\$ 1,068,235	\$ 1,190,334	\$ 741,432	\$ 954,919	\$ 1,230,569	\$ 476,857	\$ 701,634
Total Governmental Activities Program Revenues	1,584,604.63	1,606,214	1,847,513	1,068,235	1,190,334	741,432	954,919	1,230,569	476,857	701,634
Business-Type Activities:										
Charges for Services:	-	-	-	-	-	12,913	17,174	19,865	11,291	24,546
Food Service	-	-	12,045.00	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	-	-	12,045	21,778	-	12,913	17,174	19,865	11,291	24,546
Total District Program Revenues	\$ 1,584,605	\$ 1,606,214	\$ 1,859,558	\$ 1,090,013	\$ 1,190,334	\$ 754,345	\$ 972,093	\$ 1,250,434	\$ 488,148	\$ 726,180

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

Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net (Expense)/Revenue:										
Governmental Activities	\$ (4,100,737)	\$ (3,332,310)	\$ (3,482,763)	\$ (3,164,844)	\$ (3,226,543)	\$ (3,289,205)	\$ (3,250,090)	\$ (3,067,317)	\$ (2,801,570)	\$ (2,697,050)
Business-Type Activities	-	(54)	1,892	4,515	(118)	2,651	1,929	7,083	3,388	10,866
Total District-Wide Net Expense	\$ (4,100,736.80)	\$ (3,332,363.52)	\$ (3,480,871)	\$ (3,160,329)	\$ (3,226,661)	\$ (3,286,554)	\$ (3,248,161)	\$ (3,060,234)	\$ (2,798,182)	\$ (2,686,184)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 2,725,321.00	\$ 2,671,883.02	\$ 2,526,430	\$ 2,501,851	\$ 2,427,234	\$ 2,379,641	\$ 2,152,212	\$ 2,110,012	\$ 1,901,135	\$ 1,803,858
Taxes Levied for Debt Service	195,000.00	200,484.00	199,551	265,379	292,205	299,958	255,473	268,532	244,904	104,771
Grants & Contributions	738,841.60	671,433.19	960,886	721,729	709,550	786,168	829,912	812,035	721,600	727,361
Tuition Received	-	-	-	-	-	-	7,000	18,400	14,600	14,500
Miscellaneous Income	37,792.64	102,378.08	117,564	18,623	41,552	2,455	7,709	10,697	6,445	9,645
Special Item - Adjustment to Capital Assets	-	-	-	-	-	-	-	385,258	-	-
Total Governmental Activities	3,696,955.24	3,646,178.29	3,804,431	3,507,582	3,470,541	3,468,222	3,252,306	3,604,934	2,888,684	2,720,135
Total District-Wide	\$ 3,696,955.24	\$ 3,646,178.29	\$ 3,804,431	\$ 3,507,582	\$ 3,470,541	\$ 3,468,222	\$ 3,252,306	\$ 3,604,934	\$ 2,888,684	\$ 2,720,135
Change in Net Position:										
Governmental Activities	\$ (403,781.56)	\$ 313,868	\$ 321,668	\$ 342,738	\$ 243,998	\$ 179,017	\$ 2,216	\$ 537,617	\$ 87,114	\$ 23,085
Business-Type Activities	-	(54)	4,515	4,515	(118)	2,651	1,929	7,083	3,388	10,866
Total District	\$ (403,781.56)	\$ 313,815	\$ 326,183	\$ 347,253	\$ 243,880	\$ 181,668	\$ 4,145	\$ 544,700	\$ 90,502	\$ 33,951

Source: ACFR Schedule A-2

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

		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
FISCAL YEAR ENDING JUNE 30,											
General Fund:											
Restricted	\$	1,021,945.69	\$ 1,335,274.00	\$ 917,365.00	\$ 696,770.00	\$ 605,278.00	\$ 498,123.00	\$ 421,129.00	\$ 483,092.00	\$ 387,305.00	\$ 282,296.00
Assigned		229,971.21	116,509.00	21,040.00	45,940.00	16,874.00	25,647.00	7,574.00	1,991.00	3,337.00	77,105.00
Unassigned		166,335.47	200,423.00	431,890.00	229,575.00	202,769.00	200,953.00	213,725.00	199,939.00	193,893.00	195,185.00
Total General Fund	\$	1,418,252.37	\$ 1,652,206.00	\$ 1,370,295.00	\$ 972,285.00	\$ 824,921.00	\$ 724,723.00	\$ 642,428.00	\$ 685,022.00	\$ 584,535.00	\$ 554,586.00
All Other Governmental Funds:											
Restricted											
Debt Service Fund	\$	1.45	\$ 1.00	\$ -	\$ 29.00	\$ 32,601.00	\$ 38,242.00	\$ 12,908.00	\$ 57,065.00	\$ 56,787.00	\$ 587.00
Student Activities		1,616.13	2,175.00	493.00	1,529.00	2,909.00	-	-	-	-	-
Capital Projects Fund		-	-	-	-	-	-	26,010.00	144,884.00	1,916,314.00	4,134,360.00
Unreserved, Reported in:											
Special Revenue Fund		(42,270.00)	-	-	(1,761.00)	(4,453.00)	(2,187.00)	(3,357.00)	(3,307.00)	(3,543.00)	(3,543.00)
Total All Other Governmental Funds	\$	(40,652.42)	\$ 2,176.00	\$ 493.00	\$ (203.00)	\$ 31,057.00	\$ 36,055.00	\$ 35,561.00	\$ 198,642.00	\$ 1,969,558.00	\$ 4,131,404.00

Source: ACFR Schedule B-1

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues										
Tax Levy	\$ 2,920,321.00	\$ 2,872,367.02	\$ 2,725,981.00	\$ 2,767,230	\$ 2,719,439	\$ 2,679,599	\$ 2,407,685	\$ 2,378,544	\$ 2,146,039	\$ 1,968,629
Tuition Charges	-	-	-	-	-	-	7,000	18,400	14,600	14,500
Miscellaneous	37,299.96	109,807.86	124,842.57	18,623	41,552	2,455	7,709	10,697	6,445	9,645
State Sources	1,991,433.53	1,744,941.91	2,121,073.95	1,416,752	1,332,760	1,276,764	1,311,512	1,223,887	1,100,558	1,047,890
Federal Sources	194,399.02	242,063.28	385,573.73	490,393	146,236	79,353	115,553	87,271	97,899	95,485
Total Revenues	5,143,453.51	4,969,180.07	5,357,471.25	4,692,998	4,239,987	4,038,171	3,849,459	3,718,799	3,365,541	3,136,149
Expenditures										
Current Expense										
Instruction:										
Regular Instruction	1,408,029.72	1,396,266.36	1,501,575.31	1,768,475	1,505,227	1,337,370	1,320,393	1,278,444	127,779	1,244,343
Special Education Instruction	543,589.93	310,852.86	195,850.17	-	-	-	-	-	-	-
Other Instruction	1,718.00	3,813.98	32,844.83	-	-	-	-	-	-	-
Support Services:										
Tuition	22,480.98	76,001.93	198,262.92	-	-	-	-	-	-	-
Attendance & Social Work Services	74,791.03	81,687.95	86,151.74	-	-	-	-	-	-	-
Health Services	52,001.42	57,803.09	51,524.29	-	-	-	-	-	-	-
Student & Instruction Related Services	486,215.57	381,540.83	391,934.04	-	-	-	-	-	-	-
Other Administrative Services	164,696.26	131,312.88	139,166.17	-	-	-	-	-	-	-
Central Services	19,999.92	39,195.33	39,863.80	-	-	-	-	-	-	-
School Administrative Services	64,366.21	57,248.63	57,875.08	-	-	-	-	-	-	-
Plant Operations & Maintenance	439,646.81	296,072.07	268,901.11	-	-	-	-	-	-	-
Pupil Transportation	274,016.20	260,360.29	195,871.44	-	-	-	-	-	-	-
Unallocated Benefits	1,544,455.20	1,354,962.04	1,459,071.92	-	-	-	-	-	-	-
Business and Other Support Services:										
Undistributed Expenditures	-	-	-	2,362,200	2,204,614	2,188,231	2,187,335	1,919,443	1,744,462	1,703,431
Capital Outlay	145,746.60	15,378.19	63,792.00	20,000	11,583	-	118,874	1,771,431	2,218,046	261,029
Debt Service:	-	-	-	426,219	425,782	429,781	428,531	419,911	247,151	158,750
Principal	195,000.00	190,000.00	185,000.00	-	-	-	-	-	-	-
Interest & Other Charges	83,481.26	87,331.26	91,081.00	-	-	-	-	-	-	-
Total Expenditures	5,520,235.11	4,739,827.69	4,958,765.82	4,576,894.00	4,147,206.00	3,955,382.00	4,055,133.00	5,389,229.00	4,337,438.00	3,367,553.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(376,781.60)	229,352.00	116,104.00	92,781.00	82,789.00	(205,675.00)	(1,670,429.00)	(2,131,897.00)	(231,404.00)	62,196.00
Other Financing Sources/(Uses):										
Financed Purchases (Non-budgeted)	100,000.00	-	-	-	-	-	-	-	-	-
Proceeds of Refunding Bonds	-	-	-	-	-	-	-	-	4,393,000	-
Transfers in	6,315.36	-	-	-	-	-	-	-	-	-
Transfers Out	(6,315.36)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	100,000.00	-	-	-	-	-	-	-	4,393,000	-
Net Change in Fund Balances	\$ (276,782)	\$ 229,352	\$ 398,705	\$ 116,104	\$ 92,781	\$ 82,789	\$ (205,674)	\$ (1,670,430)	\$ 3,421,103	\$ (231,404)
Debt Service as a Percentage of Noncapital Expenditures	5.31%	6.21%	10.32%	11.48%	12.19%	11.82%	8.45%	4.71%	4.95%	5.59%

Source: ACFR Schedule B-2

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

FISCAL YEAR ENDING <u>JUNE 30,</u>	INTEREST ON <u>INVESTMENTS</u>	TUITION <u>OTHER</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
2025	\$ -	\$ -	\$ 31,477.28	\$ 31,477.28
2024	-	-	102,378.00	102,378.00
2023	-	-	117,564.00	117,564.00
2022	-	-	9,034.00	9,034.00
2021	-	-	35,069.00	35,069.00
2020	175.00	-	2,184.00	2,359.00
2019	3,191.00	7,000.00	4,348.00	14,539.00
2018	2,029.00	18,400.00	7,807.00	28,236.00
2017	-	14,600.00	2,041.00	16,641.00
2016	-	14,500.00	4,936.00	19,436.00
Total	\$ 5,395.00	\$ 54,500.00	\$ 316,838.28	\$ 376,733.28

Source: District Records

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.

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

Unaudited

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2025	\$ 20,885,600	\$ 183,113,600	\$ 1,169,800	\$ 59,800	\$ 30,397,200	\$ 4,271,900	\$ 319,200	\$ 240,217,100	\$ 35,233,800	\$ 275,450,900	1.851	\$ 317,831,569
2024	22,061,900	183,959,500	-	-	28,953,300	-	-	234,974,700	-	234,974,700	1.833	291,078,679
2023	21,061,900	179,948,400	-	-	28,135,000	-	-	229,145,300	-	229,145,300	1.824	251,137,900
2022	21,963,900	178,173,600	-	-	28,135,000	-	-	228,272,500	-	228,272,500	1.833	234,078,200
2021	22,282,100	176,853,600	-	-	28,974,600	-	-	228,110,300	-	228,110,300	1.873	267,769,600
2020	22,332,100	177,802,400	-	-	28,752,200	-	-	228,886,700	-	228,886,700	1.813	233,786,200
2019	22,863,600	177,642,500	-	-	28,898,200	-	-	229,404,300	-	229,404,300	1.652	234,303,700
2018	25,549,100	176,936,900	-	-	28,113,700	-	-	230,599,700	-	230,599,700	1.628	235,749,600
2017	26,046,300	177,811,600	-	-	29,041,400	-	-	232,899,300	-	232,899,300	1.537	237,970,700
2016	25,146,900	178,845,900	-	-	29,983,700	-	-	233,976,500	-	233,976,500	1.452	246,369,134

Source: Ocean County Board of Taxation

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

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

Unaudited

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF EAGLESWOOD	OCEAN COUNTY	
2025	1.216	0.635	1.851	0.453	0.449	2.753
2024	1.165	0.668	1.833	0.445	0.395	2.673
2023	1.160	0.664	1.824	0.443	0.393	2.660
2022	1.182	0.651	1.833	0.425	0.335	2.593
2021	1.206	0.667	1.873	0.493	0.346	2.712
2020	1.146	0.667	1.813	0.416	0.336	2.565
2019	1.028	0.624	1.652	0.418	0.324	2.394
2018	1.009	0.619	1.628	0.415	0.342	2.385
2017	0.902	0.635	1.537	0.406	0.358	2.301
2016	0.823	0.629	1.452	0.398	0.423	2.273

Source: Ocean County Abstract of Ratables

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

Taxpayer	2025		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
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Taxpayer	2016		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	-
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Source: Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR		COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
			AMOUNT	PERCENTAGE OF LEVY	
2025	\$	2,920,321	\$ 2,920,321	100.00%	-
2024		2,872,367	2,872,367	100.00%	-
2023		2,725,981	2,725,981	100.00%	-
2022		2,767,230	2,767,230	100.00%	-
2021		2,719,439	2,719,439	100.00%	-
2020		2,679,599	2,679,599	100.00%	-
2019		2,407,685	2,407,685	100.00%	-
2018		2,378,544	2,378,544	100.00%	-
2017		2,146,039	2,146,039	100.00%	-
2016		1,968,629	1,968,629	100.00%	-

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

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

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 its debt capacity.

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES			
2025	\$ 2,995,000	\$ 78,000.00	\$ 3,073,000	N/A	N/A
2024	3,190,000	-	3,190,000	N/A	N/A
2023	3,380,000	-	3,380,000	N/A	\$ 62,195
2022	3,565,000	-	3,565,000	N/A	58,742
2021	3,890,000	-	3,890,000	N/A	59,407
2020	4,205,000	-	4,205,000	N/A	56,398
2019	4,515,000	-	4,515,000	N/A	52,710
2018	4,815,000	-	4,815,000	N/A	49,705
2017	5,098,000	-	5,098,000	N/A	48,476
2016	5,184,250	-	5,184,250	N/A	47,110

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-14 for personal income and population data.

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

FISCAL YEAR ENDED JUNE 30,	ESTIMATED SCHOOL DISTRICT POPULATION	NET ASSESSED VALUATION TAXABLE	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2025	N/A	\$ 275,450,900	\$ 3,073,000	-	N/A
2024	1,803	234,974,700	3,190,000	1.36%	N/A
2023	1,783	229,145,300	3,380,000	1.48%	\$ 62,195
2022	1,768	228,272,500	3,565,000	1.56%	58,742
2021	1,747	228,110,300	3,890,000	1.71%	59,407
2020	1,613	228,886,700	4,205,000	1.84%	56,398
2019	1,606	229,404,300	4,515,000	1.97%	52,710
2018	1,602	230,599,700	4,815,000	2.09%	49,705
2017	1,599	232,899,300	5,098,000	2.19%	48,476
2016	1,593	233,976,500	5,184,250	2.22%	47,110

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

See Exhibit J-6 for property tax data.

Population data can be found in Exhibit J-14.

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
YEAR ENDED JUNE 30, 2025
Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Eagleswood	\$ 1,518,717	100%	\$ 1,518,717
Other Debt			
County of Ocean - Township's Share (%)	551,161,252.00	0.197%	<u>1,084,162</u>
Eagleswood Township School District Direct Debt			<u>2,995,000</u>
			<u><u>\$ 5,597,879.36</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)
Unaudited

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt Limit	\$ 7,970,263.00	\$ 7,101,539.00	\$ 5,949,714.00	\$ 5,985,470.00	\$ 5,891,748.00	\$ 5,753,764.00	\$ 5,691,215.00	\$ 5,963,886.00	\$ 6,002,852.00	\$ 6,045,612.00
Total Net Debt Applicable to Limit	5,597,879.36	3,423,776.84	3,380,000.00	3,565,000.00	3,890,000.00	4,205,000.00	4,515,000.00	4,515,000.00	5,098,000.00	5,223,000.00
Legal Debt Margin	\$ 2,372,383.64	\$ 3,677,762.16	\$ 2,569,714.00	\$ 2,420,470.00	\$ 2,001,748.00	\$ 1,548,764.00	\$ 1,176,215.00	\$ 1,448,886.00	\$ 904,852.00	\$ 822,612.00

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

86.39%

Legal Debt Margin Calculation

Equalized Valuation Basis

2024	\$ 354,250,258.00
2023	313,762,636.00
2022	288,418,682.00

\$ 956,431,576.00

Average Equalized Valuation of Taxable Property

\$ 318,810,525.00

Debt Limit (2.5% of Average Equalization Value)

\$ 7,970,263.00

Net Bonded School Debt

5,597,879.36

Legal Debt Margin

\$ 2,372,383.64

Source: Equalized valuation bases were obtained from the Ocean County Board of Taxation

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.

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**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Unaudited

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2025	N/A	N/A	N/A	N/A
2024	1803	N/A	N/A	5.50%
2023	1783	\$ 110,893,685	\$ 62,195	4.20%
2022	1768	103,855,856	58,742	4.40%
2021	1747	103,784,029	59,407	8.00%
2020	1613	90,969,974	56,398	10.60%
2019	1606	84,652,260	52,710	4.60%
2018	1602	79,627,410	49,705	4.70%
2017	1599	77,513,124	48,476	5.80%
2016	1593	75,046,230	47,110	6.50%

Source: U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

a Population information provided by the NJ Dept. of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

b Personal income has been estimated based upon the county population and per capita personal income presented.

^c Per capita personal income by county estimated based upon the 2020 Census published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

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

	2025	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
	RANK	
DATA NOT AVAILABLE		
Total	0	0.00%
Total Employment - (Estimated)	0	

Source: Ocean County Department of Economic Development and Tourism;
TheEagleswood Township, Official Statements

N/A - Information was not available at reporting time

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.

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Unaudited

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction:										
Regular	16	15	15	15	15	14	14	14	14	14
Special Education	4	5	5	5	5	5	5	5	5	5
Other Special Instruction	8	6	6	6	6	6	4	4	4	4
Support Services:										
Health Services	1	1	1	1	1	1	1	1	1	1
General Administration	2	2	2	2	2	2	2	2	2	2
Administrative Information Technology	2	2	2	2	2	2	2	2	2	2
Plant Operations & Maintenance	2	2	2	2	2	2	2	2	2	2
Total	35	33	33	33	33	32	30	30	30	30

Source: District Personnel Records

**EAGLESWOOD 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 (d) ELEM	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2025	134	\$ 4,466,038	\$ 33,328.64	31.77%	20	6.7	135.33	125.57	-1.78%	92.79%
2024	144	3,801,316	26,398.03	1.04%	19	8.0	137.9	132.70	-4.54%	96.23%
2023	153	3,869,817	25,292.92	-14.73%	19	8.0	144.2	137.20	-0.64%	95.15%
2022	139	3,631,701	26,127.35	-13.19%	19	7.0	138.8	128.10	-4.62%	92.29%
2021	140	2,896,374	20,688.39	-13.19%	19	7.0	139.7	134.30	9.61%	96.13%
2020	131	3,121,957	23,831.73	-15.47%	19	9:1	131.0	122.50	7.29%	93.51%
2019	128	3,608,586	28,192.08	4.69%	19	9:1	122.1	127.20	-8.88%	104.18%
2018	134	3,608,586	26,929.75	14.87%	19	8.1	134.0	133.20	-5.10%	99.40%
2017	144	3,375,939	23,444.02	11.97%	19	8.1	141.2	134.90	-7.29%	95.54%
2016	153	3,203,384	20,937.15	6.17%	19	8.1	152.3	146.60	10.20%	96.26%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

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).

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited

<u>DISTRICT BUILDINGS</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Elementary Schools:										
Administration Offices:										
Square Feet	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500
Capacity	200	200	200	200	200	200	200	200	175	175
Enrollment	134	153	153	139	140	131	128	134	144	153

Number of Schools at June 30, 2025:
Elementary = 1
Middle School = 0
Other = 0

Source: District Facilities Office, District Records

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

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

<u>SCHOOL FACILITIES</u>	<u>PROJECT # (s)</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Elementary Schools: Eagleswood Public School	N/A	\$ 177,733.29	\$ 74,830.28	\$ 67,250.58	\$ 79,867.00	\$ 38,062.00	\$ 56,270.00	\$ 40,196.00	\$ 38,568.00	\$ 43,890.00	\$ 48,451.00
Grand Total		\$ 177,733.29	\$ 74,830.28	\$ 67,250.58	\$ 79,867.00	\$ 38,062.00	\$ 56,270.00	\$ 40,196.00	\$ 38,568.00	\$ 43,890.00	\$ 48,451.00

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
YEAR ENDED JUNE 30, 2025
UNAUDITED**

	COVERAGE	DEDUCTIBLE
COMMERICAL PACKAGE POLICY (1)		
Building and Contents (All Locations)	\$ 350,000,000	\$ 1,000
Statement of Values-Building	5,974,601	-
Statement of Values- Contents	645,598	-
Misc Property Value	223,500	-
Electronic Data Processing (Inland Marine)	350,000,000	1,000
Equipment Breakdown	100,000,000	
Flood	75,000,000	
Earthquake	50,000,000	
Abuse & Molestation	10,000,000	
Comprehensive General Liability	10,000,000	
Automobile	10,000,000	
Crime Coverage		
Blanket Dishonesty	100,000	500
Forgery or Alteration	25,000	500
SCHOOL LEADERS' ERRORS AND OMISSIONS (2)		
Coverage A	10,000,000.00	5,000.00
Coverage B	Each Claim Each Policy Period	300,000.00 300,000.00
WORKERS COMPENSATION (1)	NJ Statutory	
<u>Employers Liability</u>		
Bodily Injury by Accident	3,000,000.00	each accident
Bodily Injury by Disease	3,000,000.00	each employee
Bodily Injury by Disease	3,000,000.00	aggregate limit
SUPPLEMENTAL INDEMNITY (1)	NJ Statutory	
Bonds (2)		
Treasurer, Steve Brennan	150,000	
Business Administrator, Micah Bender	150,000	
STUDENT ACCIDENT (3)		
Maximum Medical Benefit	1,000,000	

Source: District Records

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SINGLE AUDIT SECTION

Fourth Section

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Certified Public Accountants + Advisors

1985 Cedar Bridge Ave., Suite 3 • Lakewood, NJ 08701 • 732.797.1333

194 East Bergen Place • Red Bank, NJ 07701 • 732.747.0010

www.hfacpas.com

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
Eagleswood Township School District
County of Ocean
West Creek, NJ 08092-3207

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Eagleswood Township School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 7, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Eagleswood Township 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 Eagleswood Township 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of This Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey

November 7, 2025

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Eagleswood Township School District
County of Ocean
West Creek, NJ 08092-3207

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Eagleswood Township School District's compliance with types of compliance requirements identified as subject to audit in the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2025. The Eagleswood Township School District's major 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts of grant agreements applicable to the Eagleswood Township School District's 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 Eagleswood Township School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major state program as a whole.

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

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

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

Report on Internal Control Over Compliance

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized flourish extending to the right.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey
November 7, 2025

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EAGLEWOOD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2024	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2025	
										UNEARNED REVENUE	(ACCOUNTS RECEIVABLE) GRANTOR
U.S. Department of Treasury Passed Through New Jersey Department of Education: NJ High Impact Tutoring Competitive Grant	21.03	E2300392	100-5063-034-369	\$ 51,900.00	7/1/24-6/30/25	\$ -	\$ -	\$ (51,900.00)	\$ -	\$ -	\$ (51,900.00)
Total U.S. Department of Health and Human Services						-	-	(51,900.00)	-	-	(51,900.00)
U.S. Department of Education Passed Through New Jersey Department of Education: No Child Left Behind (N.C.L.B.): Title I - Part A Title I - Part A	84.010 84.010	S010A230030 S010A240030	100-034-5064-194 100-034-5064-194	31,327.00 35,587.00	7/1/23-9/30/24 7/1/24-9/30/25	(13,004.00)	13,004.00 35,587.00	- (35,587.00)	- -	- -	- -
Title II - Part A, Supporting Effective Instruction Title II - Part A, Supporting Effective Instruction	84.367 84.367	S367A230029 S367A240029	100-034-5063-290 100-034-5063-290	3,945.00 3,838.00	7/1/23-6/30/24 7/1/24-6/30/25	(3,945.00)	3,945.00 3,838.00	- (3,838.00)	- -	- -	- -
Title IV - Part A, Student Support & Academic Enrichment	84.424	S424A240031	100-034-5063-348	10,000.00	7/1/23-9/30/24	-	10,000.00	(10,000.00)	-	-	-
Special Education Cluster: I.D.E.A. Part B I.D.E.A. Part B	84.027 84.027	H027A230100 H027A240100	100-034-5065-016 100-034-5065-016	46,147.00 48,305.00	7/1/23-9/30/24 7/1/24-9/30/25	(11,269.00)	11,269.00 48,305.00	- (48,305.00)	- -	- -	- -
I.D.E.A. Preschool	84.173	H173A240114	100-034-5065-020	3,398.00	7/1/24-9/30/25	-	3,398.00	(3,398.00)	-	-	-
Total Special Education Cluster						(11,269.00)	62,972.00	(51,703.00)	-	-	-
Rural Education Achievement Program ARP ESSER III Summer Learning	84.358A 84.425U	S358A243891 S425U210027	Unavailable 100-034-5120-518	20,552.00 40,000.00	7/1/23-9/30/24 3/13/21-9/30/24	-	16,253.00 10,409.00	(16,253.00)	- -	- -	- -
Total U.S. Department of Education						(38,627.00)	156,008.00	(117,381.00)	-	-	-
Total Expenditures of Federal Awards						\$ (38,627.00)	\$ 156,008.00	\$ (169,281.00)	\$ -	\$ (51,900.00)	\$ -

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

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2024	CASH RECEIVED	BUDGETARY EXPENDITURES	BALANCE, JUNE 30, 2025		MEMO		
							UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
New Jersey Department of Education:											
General Fund:											
State Aid Public:											
Special Education Categorical Aid	495-034-5120-089	\$ 91,218.00	7/1/24-6/30/25	\$ -	\$ 91,218.00	\$ (91,218.00)	\$ -	\$ -	\$ (9,119.77)	\$ 91,218.00	
Security Aid	495-034-5120-084	36,819.00	7/1/24-6/30/25	-	36,819.00	(36,819.00)	-	-	(3,681.08)	36,819.00	
Equalization Aid	495-034-5120-078	347,556.00	7/1/24-6/30/25	-	347,556.00	(347,556.00)	-	-	(34,747.87)	347,556.00	
Stabilization Aid	495-034-5120-148	12,520.00	7/1/24-6/30/25	-	12,520.00	(12,520.00)	-	-	-	12,520.00	
Total State Aid Public				-	488,113.00	(488,113.00)	-	-	(47,548.72)	488,113.00	
Transportation Aid				-	59,476.00	(59,476.00)	-	-	(5,946.28)	59,476.00	
Extraordinary Aid	495-034-5120-044	62,273.00	7/1/24-6/30/25	-	-	(62,273.00)	-	(62,273.00)	-	62,273.00	
Extraordinary Aid	495-034-5120-044	6,716.00	7/1/23-6/30/24	(6,716.00)	6,716.00	-	-	-	-	-	
Additional Non-Public Transportation Aid	495-034-5120-014	3,269.00	7/1/24-6/30/25	-	-	(3,269.00)	-	(3,269.00)	-	3,269.00	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	102,494.28	7/1/24-6/30/25	-	97,406.01	(102,494.28)	-	(5,088.27)	-	102,494.28	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	113,968.47	7/1/23-6/30/24	(10,932.25)	10,932.25	-	-	-	-	-	
TPAF - Post Retirement	495-034-5094-001	149,879.00	7/1/24-6/30/25	-	149,879.00	(149,879.00)	-	-	-	149,879.00	
TPAF - Pension	495-034-5094-002	512,930.00	7/1/24-6/30/25	-	512,930.00	(512,930.00)	-	-	-	512,930.00	
TPAF - Long-Term Disability	495-034-5094-004	369.00	7/1/24-6/30/25	-	369.00	(369.00)	-	-	-	369.00	
Total General Fund				(17,648.25)	1,325,821.26	(1,378,803.28)	-	(70,630.27)	(53,495.00)	1,378,803.28	
Special Revenue Fund:											
Preschool Education Aid	495-034-5120-086	534,576.00	7/1/24-6/30/25	-	534,576.00	(534,576.00)	-	-	(42,270.00)	534,576.00	
Total Special Revenue Fund				-	534,576.00	(534,576.00)	-	-	(42,270.00)	534,576.00	
Debt Service Fund:											
Debt Service Aid	495-034-5120-075	77,166.00	7/1/24-6/30/25	-	77,166.00	(77,166.00)	-	-	-	77,166.00	
Total Debt Service Fund				-	77,166.00	(77,166.00)	-	-	-	77,166.00	
Total State Financial Assistance				\$ (17,648.25)	\$ 1,937,563.26	\$ (1,990,545.28)	\$ -	\$ (70,630.27)	\$ (95,765.00)	\$ 1,990,545.28	
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:											
TPAF - Post Retirement											
Medical (Noncash Assistance)	495-034-5094-001	\$ 149,879.00	7/1/24-6/30/25			149,879.00					
TPAF - Pension											
Contributions (Noncash Assistance)	495-034-5094-002	512,930.00	7/1/24-6/30/25			512,930.00					
TPAF - Long-Term Disability											
Insurance (Noncash Assistance)	495-034-5094-004	369.00	7/1/24-6/30/25			369.00					
Total State Financial Assistance Subject to Calculation for Major Program Determination									\$ (1,327,367.28)		

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

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EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Eagleswood 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 applicable de minimis indirect cost rate as discussed in 2 CFR 200.414.

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2025. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2025.

EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025 (Continued)

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,798.00 for the general fund and \$23,208.27 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 1,381,601.28	\$ 1,381,601.28
Special Revenue Fund	194,399.02	532,666.25	727,065.27
Debt Service Fund	-	77,166.00	77,166.00
Total Awards & Financial Assistance	\$ 194,399.02	\$ 1,991,433.53	\$ 2,185,832.55

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 Eagleswood Township School District had no loan balances outstanding at June 30, 2025.

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

SECTION IS N/A - NOT REQUIRED

Internal control over major programs:

1) Material weakness(es) identified?	_____ yes _____ no
2) Significant deficiency(ies) identified?	_____ yes _____ none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?

_____ yes _____ no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs

Auditee qualified as low-risk auditee?

_____ yes _____ no

State Financial Assistance

Identification of major programs:

Name of State Program

Preschool Education Aid

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section II - Financial Statement Findings

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

None.

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

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

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

FEDERAL AWARDS

N/A - No Federal Single Audit in current year.

STATE FINANCIAL ASSISTANCE

None.

**EAGLESWOOD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2025**

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

FINANCIAL STATEMENT FINDINGS

Finding No 2024-001:

Condition:

The District was unable to provide sufficient supporting documentation for various disbursements and receipts.

Current Status

This finding has been corrected.

Finding No 2024-002:

Condition:

During our audit we noted that the School District is not maintaining a complete and accurate general ledger in accordance with accounting principles generally accepted in the United States of America.

Current Status

This finding has been corrected.

STATE FINANCIAL ASSISTANCE

Finding No 2024-003:

Condition:

The District could not provide documentation that it obtained approval for the line item transfers to any administration appropriation account that on a cumulative basis exceeded 10 percent.

Current Status

This finding has been corrected.

Finding No 2024-004:

Condition:

The District could not provide documentation that it obtained approval for the line item transfers from any general fund appropriation account that on a cumulative basis exceeded 10 percent.

Current Status

This finding has been corrected.

Finding No 2024-005:

Condition:

The District did not file a copy of its December Board Secretary Report with the county superintendent on or before

Current Status

This finding has been corrected.

FEDERAL AWARDS

N/A - No Federal Single Audit in Prior Year.