

TOWNSHIP OF HADDON SCHOOL DISTRICT



**HADDON TOWNSHIP BOARD OF EDUCATION
CAMDEN COUNTY, NEW JERSEY**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

TOWNSHIP OF HADDON SCHOOL DISTRICT
Table of Contents

| INTRODUCTORY SECTION | <u>Page</u> |
|--|--------------------|
| Letter of Transmittal | 2 |
| Organizational Chart | 6 |
| Roster of Officials | 7 |
| Consultants and Advisors | 8 |
| FINANCIAL SECTION | |
| Independent Auditor's Report | 10 |
| Required Supplementary Information - Part I Management's Discussion and Analysis | 15 |
| Basic Financial Statements | |
| A. Government-Wide Financial Statements: | |
| A-1 Statement of Net Position | 26 |
| A-2 Statement of Activities | 28 |
| B. Fund Financial Statements: | |
| Governmental Funds: | |
| B-1 Balance Sheet | 31 |
| B-2 Statement of Revenues, Expenditures and Changes in Fund Balances | 34 |
| B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 36 |
| Proprietary Funds: | |
| B-4 Statement of Net Position | 37 |
| B-5 Statement of Revenues, Expenses and Changes in Fund Net Position | 39 |
| B-6 Statement of Cash Flows | 41 |
| Fiduciary Funds: | |
| B-7 Statement of Fiduciary Net Position | N/A |
| B-8 Statement of Changes in Fiduciary Net Position | N/A |
| Notes to the Financial Statements | 42 |
| Required Supplementary Information - Part II | |
| C. Budgetary Comparison Schedules | |
| C-1 Budgetary Comparison Schedule - General Fund | 79 |
| C-2 Budgetary Comparison Schedule - Special Revenue Fund | 91 |
| C-3 Notes to Required Supplementary Information - Part II Budget-to-GAAP Reconciliation | 92 |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Table of Contents (Cont'd)

| FINANCIAL SECTION (CONT'D) | | Page |
|---|--|-------------|
| Required Supplementary Information - Part III | | |
| L. Schedules Related to Accounting and Reporting for Pensions | | |
| L-1 | Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS | 94 |
| L-2 | Schedule of the School District's Contributions – PERS | 95 |
| L-3 | Schedule of the School District's Proportionate Share of the Net Pension Liability - TPAF | 96 |
| L-4 | Schedule of the School District's Contributions - TPAF | 97 |
| L-5 | Notes to the Required Supplementary Information - Part III | 98 |
| Required Supplementary Information - Part IV | | |
| M. Schedules Related to Accounting and Reporting for OPEB | | |
| M-1 | Schedule of Changes in the School District's Total OPEB Liability and Related Ratios | 100 |
| M-2 | Notes to the Required Supplementary Information - Part IV | 101 |
| Other Supplementary Information | | |
| D. School Based Budget Schedules: | | |
| D-1 | Combining Balance Sheet | N/A |
| D-2 | Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual | N/A |
| D-3 | Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual | N/A |
| E. Special Revenue Fund: | | |
| E-1 | Combining Schedule of Program Revenues and Expenditures - Budgetary Basis | 104 |
| E-2 | Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis | N/A |
| F. Capital Projects Fund: | | |
| F-1 | Summary Schedule of Project Expenditures - Budgetary Basis | 107 |
| F-2 | Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budgetary Basis | 108 |
| F-2 ^(a,b) | Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis | 109 |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Table of Contents (Cont'd)

| FINANCIAL SECTION (CONT'D) | Page |
|---|-------------|
| Other Supplementary Information (Cont'd) | |
| G. Proprietary Funds: | |
| Enterprise Fund: | |
| G-1 Combining Statement of Net Position | 112 |
| G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position | 114 |
| G-3 Combining Statement of Cash Flows | 116 |
| Internal Service Fund: | |
| G-4 Combining Statement of Net Position | N/A |
| G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position | N/A |
| G-6 Combining Statement of Cash Flows | N/A |
| H. Fiduciary Funds: | |
| H-1 Combining Statement of Fiduciary Net Position | N/A |
| H-2 Combining Statement of Changes in Fiduciary Net Position | N/A |
| I. Long-Term Debt: | |
| I-1 Schedule of Serial Bonds | 118 |
| I-2 Schedule of Obligations under Capital Leases | N/A |
| I-3 Debt Service Fund Budgetary Comparison Schedule | 119 |
| I-4 Schedule of Obligations under Subscription-Based Information Technology Arrangements | N/A |
| STATISTICAL SECTION (Unaudited) | |
| Introduction to the Statistical Section | |
| Financial Trends | |
| J-1 Net Position by Component | 122 |
| J-2 Changes in Net Position | 123 |
| J-3 Fund Balances - Governmental Funds | 125 |
| J-4 Changes in Fund Balances - Governmental Funds | 126 |
| J-5 General Fund Other Local Revenue by Source | 127 |
| Revenue Capacity | |
| J-6 Assessed Value and Estimated Actual Value of Taxable Property | 129 |
| J-7 Direct and Overlapping Property Tax Rates | 130 |
| J-8 Principal Property Taxpayers | 131 |
| J-9 Property Tax Levies and Collections | 132 |
| Debt Capacity | |
| J-10 Ratios of Outstanding Debt by Type | 134 |
| J-11 Ratios of General Bonded Debt Outstanding | 135 |
| J-12 Direct and Overlapping Governmental Activities Debt | 136 |
| J-13 Legal Debt Margin Information | 137 |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Table of Contents (Cont'd)

| | Page |
|--|-------------|
| STATISTICAL SECTION (Unaudited) (Cont'd) | |
| Demographic and Economic Information | |
| J-14 Demographic and Economic Statistics | 139 |
| J-15 Principal Employers | 140 |
| Operating Information | |
| J-16 Full-time Equivalent District Employees by Function/Program | 142 |
| J-17 Operating Statistics | 143 |
| J-18 School Building Information | 144 |
| J-19 Schedule of Required Maintenance Expenditures by School Facility | 145 |
| J-20 Insurance Schedule | 146 |
| SINGLE AUDIT SECTION | |
| K-1 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 | 148 |
| K-2 Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB | 150 |
| K-3 Schedule of Expenditures of Federal Awards, Schedule A | 153 |
| K-4 Schedule of Expenditures of State Financial Assistance, Schedule B | 157 |
| K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance | 161 |
| Schedule of Findings and Questioned Costs: | |
| K-6 Summary of Auditor's Results | 164 |
| K-6 Schedule of Current Year Findings | 166 |
| K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management | 169 |

INTRODUCTORY SECTION



HADDON TOWNSHIP BOARD OF EDUCATION

500 RHOADS AVENUE • WESTMONT, NEW JERSEY 08108
PHONE: 856-869-7750 ext. 1100 • FAX: 856-854-7792
WEBSITE: www.haddontwpschools.com

Robert J. Fisicaro, Ed.D.
Superintendent of Schools
856-869-7750 Ext. 1100
rfisicaro@htsd.us

Jennifer Gauld
School Business Administrator/
Board Secretary
856-869-7750 Ext. 1105
jgauld@htsd.us

Chantelle Shorter
Assistant Superintendent for
Curriculum & Instruction
856-869-7750 Ext. 1108
cshorter@htsd.us

January 22, 2026

Honorable President and
Members of the Board of Education
Haddon Township School District
County of Camden, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Haddon 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 Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the District's Management's Discussion and Analysis (MD&A), financial statements and schedules, required supplementary information (RSI) other than the MD&A including budgetary comparison schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the State of New Jersey Circular 15-08-OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments.*" Information related to this single audit, including the auditor's report on compliance for each major program and report on internal control over compliance required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Haddon Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14, as amended. All funds of the District are included in this report. The Haddon Township Board of Education and its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2024-2025 fiscal year with an average daily enrollment of 2,123 students, which is 71 students less than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last five years.

1. REPORTING ENTITY AND ITS SERVICES (CONT'D):

Average Daily Enrollment

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percent Change</u> |
|--------------------|---------------------------|-----------------------|
| 2024-2025 | 2,123 | -3.24% |
| 2023-2024 | 2,194 | 6.09% |
| 2022-2023 | 2,068 | 0.53% |
| 2021-2022 | 2,057 | 3.89% |
| 2020-2021 | 1,980 | -4.99% |

2. ECONOMIC CONDITION AND OUTLOOK: The Township of Haddon is mainly a residential community with two shopping centers. Numerous retail shops, professional offices and eating establishments are located along Haddon Avenue, a primary artery through Westmont proper. A large number of businesses have been long established in the community. The economic condition of the Township of Haddon is stable.

3. MAJOR INITIATIVES: Haddon Township School District continues to prioritize engaging learning environments and meeting the individual needs of its students through innovative programming and strategic initiatives. This year, the district has expanded its use of iReady in mathematics, providing personalized learning pathways that adapt to each student's unique progress. The district has also further integrated InquirED into its social studies curriculum, enhancing students' writing skills through dynamic, interactive online lessons. For early literacy, the phonics program Foundations (K-2) has been updated based on the latest research to support foundational reading skills. Additionally, the district is piloting a writing program via Mystery Writing that is supporting the writing needs of our students. The district continues to address the growing kindergarten needs with increased resources and support. At the middle school level, the district is now in its second year of implementing the Amplify program, a science of reading-based resource. This program is laying a strong foundation for students, preparing them for the wide range of academic opportunities and developmentally appropriate challenges at the high school level.

Haddon Township High School (HTHS) continues to excel academically, maintaining an impressive graduation rate of 95%. The majority of HTHS graduates move on to higher education, with 68% attending four-year colleges and 16% attending two-year colleges. The remaining students pursue careers in trade schools or directly enter the workforce. Students continue to outperform state and national averages on the SAT, a reflection of the district's commitment to high academic standards and rigorous preparation.

In addition to its academic achievements, Haddon Township remains dedicated to offering equitable educational opportunities for all students. This includes welcoming international students for semester- and year-long placements, enriching the high school community by fostering cross-cultural understanding and providing HTHS students with valuable global perspectives.

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. There are \$30,362.00 of encumbrances to be re-appropriated and reported as Assigned – Year End Encumbrances of fund balance at June 30, 2025.

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the general fund, special revenue fund, capital projects fund, and debt service fund revenues for the fiscal year ended June 30, 2025.

| <u>Revenue</u> | <u>Amount</u> | <u>Percent of Total</u> |
|-------------------------|------------------------|-------------------------|
| Local and Other Sources | \$30,069,089.50 | 59.24% |
| State Sources | 19,545,201.39 | 38.50% |
| Federal Sources | <u>1,146,641.86</u> | <u>2.26%</u> |
| | <u>\$50,760,932.75</u> | <u>100.00%</u> |

The following schedule presents a summary of the general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2025.

| <u>Expenditure</u> | <u>Amount</u> | <u>Percent of Total</u> |
|----------------------------|------------------------|-------------------------|
| Current Expense: | | |
| Instruction | \$15,053,080.62 | 25.59% |
| Undistributed Expenditures | 31,798,651.68 | 54.03% |
| Special Revenue | 2,282,335.11 | 3.88% |
| Capital Projects Fund | 7,623,704.93 | 12.95% |
| Debt Service: | | |
| Principal | 1,250,000.00 | 2.12% |
| Interest | <u>843,651.26</u> | <u>1.43%</u> |
| | <u>\$58,851,423.60</u> | <u>100.00%</u> |

8. DEBT ADMINISTRATION: As of June 30, 2025, the District's outstanding debt issues included \$53,982,000.00 of general obligation bonds. As of June 30, 2025 the District's borrowing capacity is \$19,292,947.66.

9. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The Law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.
11. **OTHER INFORMATION:** Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Uniform Guidance and the State of New Jersey Circular 15-08-OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
12. **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Haddon Township Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

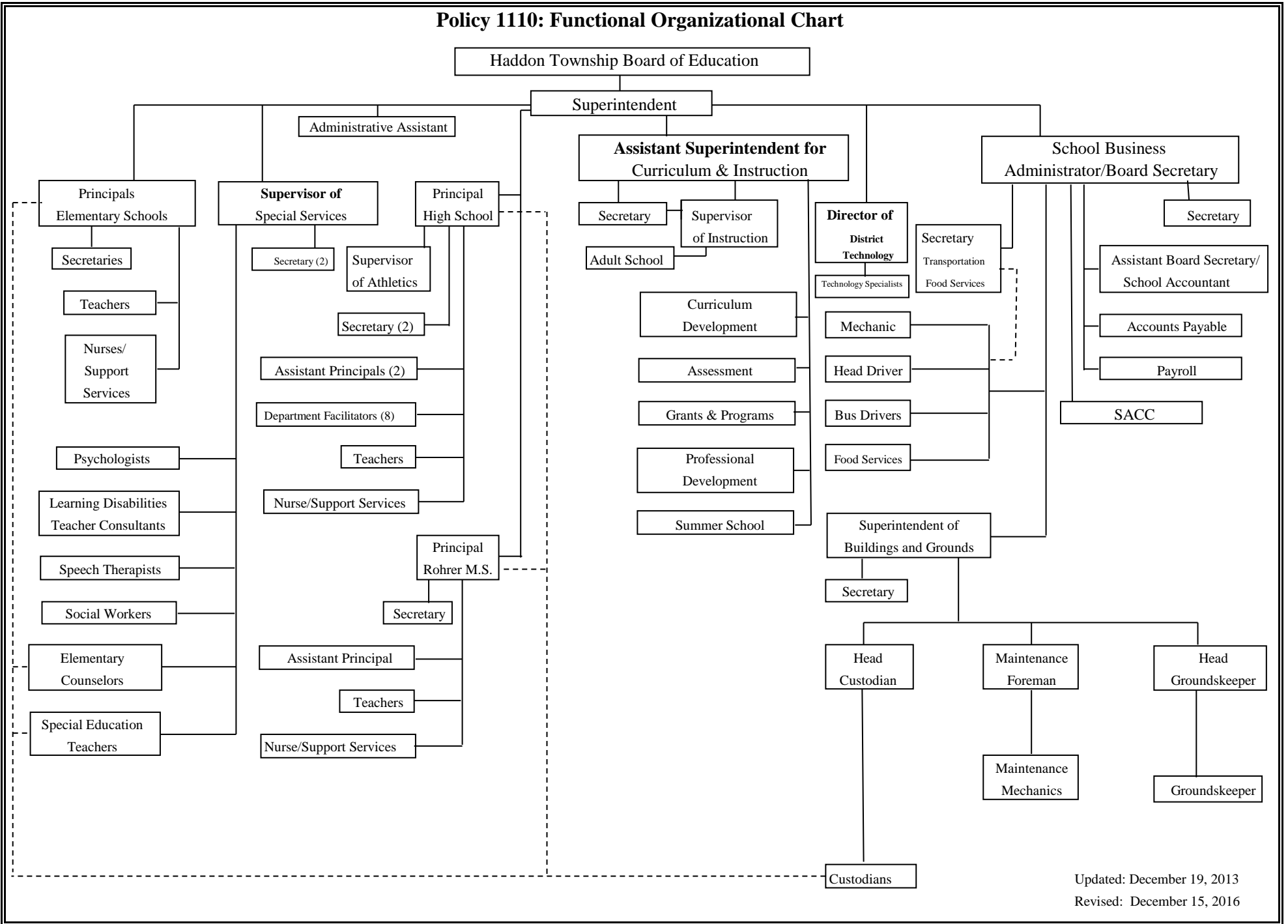


Dr. Robert J. Fisicaro
Superintendent



Mrs. Jennifer Gauld
School Business Administrator/
Board Secretary

Policy 1110: Functional Organizational Chart



Updated: December 19, 2013
 Revised: December 15, 2016

**TOWNSHIP OF HADDON SCHOOL DISTRICT
WESTMONT, NEW JERSEY**

Roster of Officials

June 30, 2025

| <u>Members of the Board of Education</u> | <u>Term Expires</u> |
|--|---------------------|
| Kellie Hinkle, President | 2026 |
| Marie Dezii, Vice President | 2025 |
| James Lex, Jr. | 2027 |
| David Ricci | 2027 |
| Chris Cook | 2027 |
| Renee Billingsley | 2025 |
| Kristyn Souder | 2025 |
| John Kendall | 2026 |
| Isis Williams | 2026 |

Other Officials

Dr. Robert J. Fisicaro, Superintendent of Schools

Jennifer Gauld, School Business Administrator / Board Secretary

Chantelle Shorter, Assistant Superintendent for Curriculum & Instruction

**TOWNSHIP OF HADDON SCHOOL DISTRICT
WESTMONT, NEW JERSEY**

Consultants and Advisors

June 30, 2025

Auditor

Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043-2493

Official Depository

1st Colonial Community Bank
1040 Haddon Ave.
Collingswood, New Jersey 08108

Attorney

Brett Gorman, Esquire
Gorman, D'Anella, and Morlok, LLC
1601 Atlantic Avenue, Suite 700
Atlantic City, New Jersey 08401

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon School District
Westmont, New Jersey 08108

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Haddon School District, in the County of Camden, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Township of Haddon School District, in the County of Camden, State of New Jersey, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School District and to meet our 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 described in note 1 to the financial statements, during the fiscal year ended June 30, 2025, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Restatement of Prior Period Financial Statements

Because of the implementation of GASB Statement No. 101, net position of the governmental activities and the business-type activities as of July 1, 2024 on the statement of activities has been restated, and net position of the before school care fund, after school care fund, summer recreation fund, and preschool extended day fund as of July 1, 2024 on the statements of revenues, expenses, and changes in fund net position has also been restated, as discussed in note 22 to the financial statements. Our opinions are not modified with respect to this matter.

In addition, during the fiscal year ended June 30, 2025, the School District became aware of revenue that was for the prior school year but was not recorded as accounts receivable as of June 30, 2024. As a result, the School District has restated net position of the business-type activities as of July 1, 2024 on the statement of activities, and has restated net position of the after school care fund as of July 1, 2024 on the statements of revenues, expenses, and changes in fund net position, as discussed in note 22 to the financial statements. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

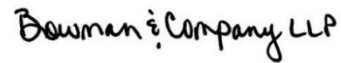
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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*

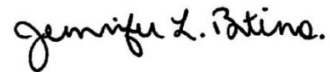
In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2026 on our consideration of the Township of Haddon School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Haddon 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 Township of Haddon School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Jennifer L. Bertino
Certified Public Accountant
Public School Accountant No. CS 00253000

Voorhees, New Jersey
January 22, 2026

REQUIRED SUPPLEMENTARY INFORMATION
PART I
MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWNSHIP OF HADDON SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

As management of the Township of Haddon School District (hereafter referred to as the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the information furnished in our letter of transmittal, notes to the basic financial statements, and financial statements to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

- The net position of the School District, which represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources, was \$1,597,280.40 at the close of the current fiscal year. Of this amount, \$1,447,233.23 represents net position of governmental activities and \$150,047.17 represents net position of business-type activities.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$24,462,837.72 an increase of \$23,068,347.70, or one thousand six hundred fifty-four percent (1,654%), in comparison with the prior fiscal year. The large increase is directly attributable to the unspent bond proceeds as of June 30, 2025 on the capital referendum approved on March 12, 2024 and bonds issued on July 11, 2024.
- At the end of the current fiscal year, unassigned fund balance for the general fund was a deficit of \$200,602.41, which represents a seventy-two percent (72%) increase from that of the prior fiscal year. Maintaining fund balance is vital for the School District's cash flow. Additional information as to the cause of this unassigned deficit fund balance can be found in note 19 to the financial statements.
- On July 11, 2024, the School District issued General Obligation Bonds in the amount of \$30,584,000.00 to finance the capital referendum project that was approved on March 12, 2024.
- The School District paid \$1,250,000.00 of budgeted debt payments during fiscal year 2025.
- On October 17, 2024, the Board of Education of the School District approved operations related to the enterprise fund – kindergarten care fund to discontinue effective October 17, 2024. The board of education has also approved the transfer of excess funds in the amount of \$289,589.58 to the general fund during fiscal year 2025.
- The School District implemented GASBS 101, *Compensated Absences*, during the fiscal year ended June 30, 2025. A prior period adjustment of (\$5,534,365.67) in the governmental activities fund and (\$66,114.15) in the business-type activities and enterprise funds have been recorded and therefore Table 1 and Table 2 below are not consistent due to the change in accounting principle for implementation of GASBS 101, *Compensated Absences*.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT

This annual comprehensive financial report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the School District as a whole and present a longer-term view of the School District's finances. Fund financial statements for the governmental activities tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the School District's operations in more detail than the government-wide statements by providing information about the School District's most significant funds.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (CONT'D)

One of the most important questions asked about the School District's finances is, "Is the School District as a whole better off or worse off as a result of the fiscal year's activities?" The statement of net position and the statement of activities report information about the School District as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current fiscal year's revenues and expenses are taken into account regardless of when cash is received or paid.

Reporting the School District as a Whole

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

In the statement of net position and the statement of activities, we divide the School District into two kinds of activities, those being governmental activities and business-type activities. In the governmental activities, this is where all of the School District's basic services are reported and are supported from property taxes and intergovernmental revenues. The business-type activities of the School District includes various programs, including the food service, adult school, before school care, after school care, summer recreation, kindergarten care, and preschool extended day programs, all of which are supported from user fees and charges.

Reporting the School District's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds, not the School District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School 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 School District can be divided into two categories: governmental funds and proprietary 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 government-wide financial statements, governmental fund financial statements focus on *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 a government'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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

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

The School District adopts an annual budget for its general fund, special revenue fund, and debt service fund. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (CONT'D)

Reporting the School District's Most Significant Funds (Cont'd)

Proprietary Funds - The School District maintains one type of proprietary fund; that being an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The School District uses an enterprise fund to account for its food service, adult school, before school care, after school care, summer recreation, kindergarten care, and preschool extended day programs.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the food service, adult school, before school care, after school care, summer recreation, kindergarten care, and preschool extended day programs which are all considered major funds.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

THE SCHOOL DISTRICT AS A WHOLE

During fiscal year 2025, the School District's net position decreased by \$9,211,101.14, decreasing from a restated balance of \$10,808,381.54 in fiscal year 2024 to \$1,597,280.40 in fiscal year 2025. Net position was restated to correct prior year unrecorded revenue in the after school care fund. Our analyses that follow focus on the net position (Table 1) and changes in net position (Table 2) of the School District's governmental-type activities and business-type activities.

In total, assets (net of internal balances) increased by \$25,705,755.26, deferred outflows of resources increased by \$65,891.00, liabilities increased by \$35,292,611.40, and deferred inflows of resources decreased by \$309,864.00. The increase in assets (net of internal balances) was primarily attributable to an increase in the School District's cash balance of \$2,697,151.60, an increase in investments of \$20,555,490.75 and an increase in capital assets of \$2,784,285.71. The large increase in cash and investments is directly attributable to the unspent bond proceeds as of June 30, 2025, on the capital referendum approved in March 2024 that was placed into an investment account during fiscal year 2025. The increase in deferred outflows of resources and decrease in deferred inflows of resources were primarily attributable to the changes in the School District's pension liabilities (pensions - see note 9). In addition, the increase in liabilities is also attributable to the implementation of GASBS 101, therefore the long-term liabilities outstanding in Table 2 below are not consistent, as previously mentioned.

| | TABLE 1 NET POSITION | | | | | | | |
|-----------------------------------|----------------------------|-------------------------|-----------------------------|----------------------|---------------------------|-------------------------|--------------------------|---------------|
| | Governmental Activities | | Business-Type Activities | | Government-wide Totals | | Government-wide | |
| | 2025 | 2024 | 2025 | (Restated) 2024 | 2025 | (Restated) 2024 | Change | % Change |
| Current and Other Assets | \$ 24,740,975.05 | \$ 1,602,078.10 | \$ 558,667.49 | \$ 776,094.89 | \$ 25,299,642.54 | \$ 2,378,172.99 | \$ 22,921,469.55 | 963.8% |
| Capital Assets | 45,720,990.85 | 42,951,402.50 | 17,419.76 | 2,722.40 | 45,738,410.61 | 42,954,124.90 | 2,784,285.71 | 6.5% |
| Total Assets | 70,461,965.90 | 44,553,480.60 | 576,087.25 | 778,817.29 | 71,038,053.15 | 45,332,297.89 | 25,705,755.26 | 56.7% |
| Deferred Outflows of Resources | 672,869.00 | 606,978.00 | - | - | 672,869.00 | 606,978.00 | 65,891.00 | 10.9% |
| Other Liabilities | 2,280,828.66 | 1,090,480.63 | 346,367.80 | 298,682.92 | 2,627,196.46 | 1,389,163.55 | 1,238,032.91 | 89.1% |
| Long-Term Liabilities Outstanding | 66,853,067.01 | 32,878,160.80 | 79,672.28 | - | 66,932,739.29 | 32,878,160.80 | 34,054,578.49 | 103.6% |
| Total Liabilities | 69,133,895.67 | 33,968,641.43 | 426,040.08 | 298,682.92 | 69,559,935.75 | 34,267,324.35 | 35,292,611.40 | 103.0% |
| Deferred Inflows of Resources | 553,706.00 | 863,570.00 | - | - | 553,706.00 | 863,570.00 | (309,864.00) | -35.9% |
| Net Investment in Capital Assets | 15,346,925.90 | 16,970,631.50 | 17,419.76 | 2,722.40 | 15,364,345.66 | 16,973,353.90 | (1,609,008.24) | -9.5% |
| Restricted | 1,226,802.84 | 1,343,303.96 | - | - | 1,226,802.84 | 1,343,303.96 | (116,501.12) | -8.7% |
| Unrestricted (Deficit) | (15,126,495.51) | (7,985,688.29) | 132,627.41 | 477,411.97 | (14,993,868.10) | (7,508,276.32) | (7,485,591.78) | -99.7% |
| Total Net Position | \$ 1,447,233.23 | \$ 10,328,247.17 | \$ 150,047.17 | \$ 480,134.37 | \$ 1,597,280.40 | \$ 10,808,381.54 | \$ (9,211,101.14) | -85.2% |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

\$15,364,345.66 of the School District's total net position at the end of the current fiscal year reflects its net investment in capital assets (i.e., land, buildings, equipment, etc.). This component represents capital assets, net of accumulated depreciation, and net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets. The School District uses these assets to provide educational services to students and to carry out the operations of the governmental and business-type activities; consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional component of the School District's net position in the amount of \$1,226,802.84 represents resources that are restricted. These amounts consist of amounts restricted for debt service, emergency, maintenance, unemployment compensation, capital projects, and student activities. Additional information on the School District's restricted net position can be found in note 20 in the notes to the financial statements.

The third and final component of net position is unrestricted. This component represents resources and uses that do not meet the criteria of the aforementioned two components of net position. At the end of the current fiscal year, the School District's unrestricted net position was in a deficit in the amount of \$14,993,868.10. The deficit is primarily due to the delay of the June state aid payments and the recording of long-term liabilities for general serial bonds, unamortized premium, net pension liability, financed purchases, and compensated absences.

Such long-term liabilities are funded by the School District on a pay-as-you-go basis, meaning these liabilities are funded only to the extent that the current fiscal year's contractual obligations can be satisfied. See note 8 in the notes to the financial statements for further detail regarding long-term liabilities.

Table 2 on the following page illustrates the changes in net position of the School District's governmental-type activities and business-type activities.

During fiscal year 2025, the School District's total revenues decreased by \$10,549.45 decreasing from a restated balance of \$47,627,333.67 in fiscal year 2024 to \$47,616,784.22 in fiscal year 2025. The net change in total revenues is largely attributable to the following:

- Amount to be raised by taxation for fiscal year 2025 increased from fiscal year 2024 by \$546,591.00, or a two percent (2%) increase.
- Unrestricted interest and investment earnings increased for fiscal year 2025 by \$343,282.98, or a two thousand six hundred twenty-one percent (2,621%) increase, which is directly attributable to the new investment account for unspent bond proceeds.

Property taxes constituted approximately sixty percent (60%) of total revenues for the School District for the fiscal year 2025. In addition, charges for services constituted approximately five percent (5%) of total revenues for the School District.

Lastly, operating and capital grants and contributions, federal and state aid, interest and investment earnings, and miscellaneous income constituted approximately thirty five percent (35%) of total revenues for the School District.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

| TABLE 2 CHANGES IN NET POSITION | | | | | | | | |
|---|------------------------------------|-------------------------|-------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|---------------------|
| | Governmental Activities | | Business-Type Activities | | Government-wide Totals | | Government-wide | |
| | 2025 | 2024 | 2025 | (Restated) 2024 | 2025 | (Restated) 2024 | Change | % Change |
| | | | | | | | | |
| REVENUES: | | | | | | | | |
| Program Revenues: | | | | | | | | |
| Charges for Services | \$ 995,514.19 | \$ 899,508.28 | \$ 1,470,290.29 | \$ 1,210,534.47 | \$ 2,465,804.48 | \$ 2,110,042.75 | \$ 355,761.73 | 16.9% |
| Operating Grants and Contributions | 5,351,926.12 | 6,323,398.21 | 256,181.18 | 275,660.78 | 5,608,107.30 | 6,599,058.99 | (990,951.69) | -15.0% |
| Capital Grants and Contributions | | 98,835.86 | | | | 98,835.86 | (98,835.86) | -100.0% |
| General Revenues: | | | | | | | | |
| Property Taxes: | | | | | | | | |
| Levied for General Purposes | 26,512,424.00 | 25,992,573.00 | | | 26,512,424.00 | 25,992,573.00 | 519,851.00 | 2.0% |
| Levied for Debt Service | 1,830,664.00 | 1,803,924.00 | | | 1,830,664.00 | 1,803,924.00 | 26,740.00 | 1.5% |
| Federal and State Aid - Unrestricted | 10,289,229.33 | 10,520,446.90 | | | 10,289,229.33 | 10,520,446.90 | (231,217.57) | -2.2% |
| Federal and State Aid - Restricted | 180,067.80 | 175,073.58 | | | 180,067.80 | 175,073.58 | 4,994.22 | 2.9% |
| Interest and Investment Earnings - Unrestricted | 356,381.41 | 13,098.43 | | | 356,381.41 | 13,098.43 | 343,282.98 | 2620.8% |
| Interest and Investment Earnings - Restricted | 4,651.29 | 9,815.43 | | | 4,651.29 | 9,815.43 | (5,164.14) | -52.6% |
| Miscellaneous - Unrestricted | 369,454.61 | 305,731.14 | | | 369,454.61 | 305,731.14 | 63,723.47 | 20.8% |
| Gain (Loss) on Disposal of Capital Assets | | (1,266.41) | | | | (1,266.41) | 1,266.41 | -100.0% |
| Transfers | 289,589.58 | | (289,589.58) | | | | | 0.0% |
| Total General Revenues, Gain (Loss) on Disposal of Capital Assets, and Transfers | 46,179,902.33 | 46,141,138.42 | 1,436,881.89 | 1,486,195.25 | 47,616,784.22 | 47,627,333.67 | (10,549.45) | 0.0% |
| EXPENSES: | | | | | | | | |
| Instruction | 15,646,073.78 | 16,311,267.05 | | | 15,646,073.78 | 16,311,267.05 | (665,193.27) | -4.1% |
| Support Services | 31,704,523.34 | 30,776,665.13 | | | 31,704,523.34 | 30,776,665.13 | 927,858.21 | 3.0% |
| Special Schools | 58,870.09 | 56,700.65 | | | 58,870.09 | 56,700.65 | 2,169.44 | 3.8% |
| Transfer of Funds to Charter School | 76,017.00 | 59,845.00 | | | 76,017.00 | 59,845.00 | 16,172.00 | 27.0% |
| Interest on Long-Term Debt | 1,894,947.50 | 866,875.09 | | | 1,894,947.50 | 866,875.09 | 1,028,072.41 | 118.6% |
| Unallocated Depreciation | 146,118.89 | 144,015.41 | | | 146,118.89 | 144,015.41 | 2,103.48 | 1.5% |
| Food Service | | | 784,551.15 | 771,116.24 | 784,551.15 | 771,116.24 | 13,434.91 | 1.7% |
| Before School Care | | | 119,152.81 | 113,638.41 | 119,152.81 | 113,638.41 | 5,514.40 | 4.9% |
| After School Care | | | 394,872.05 | 296,412.32 | 394,872.05 | 296,412.32 | 98,459.73 | 33.2% |
| Summer Recreation | | | 188,262.27 | 150,384.62 | 188,262.27 | 150,384.62 | 37,877.65 | 25.2% |
| Kindergarten Care | | | | 2,686.94 | | 2,686.94 | (2,686.94) | -100.0% |
| Preschool Extended Day | | | 214,016.66 | 155,984.75 | 214,016.66 | 155,984.75 | 58,031.91 | 37.2% |
| Total Expenses | 49,526,550.60 | 48,215,368.33 | 1,700,854.94 | 1,490,223.28 | 51,227,405.54 | 49,705,591.61 | 1,521,813.93 | 3.1% |
| Change in Net Position | (3,346,648.27) | (2,074,229.91) | (263,973.05) | (4,028.03) | (3,610,621.32) | (2,078,257.94) | \$ (1,532,363.38) | 73.7% |
| Net Position, July 1 | 10,328,247.17 | 12,402,477.08 | 480,134.37 | 484,162.40 | 10,808,381.54 | 12,886,639.48 | | |
| Prior Period Adjustment | (5,534,365.67) | | (66,114.15) | | (5,600,479.82) | | | |
| Net Position, July 1, Restated | 4,793,881.50 | 12,402,477.08 | 414,020.22 | 484,162.40 | 5,207,901.72 | 12,886,639.48 | | |
| Net Position, June 30 | \$ 1,447,233.23 | \$ 10,328,247.17 | \$ 150,047.17 | \$ 480,134.37 | \$ 1,597,280.40 | \$ 10,808,381.54 | | |

During fiscal year 2025, the School District's total expenses increased by \$1,521,813.93, increasing from \$49,705,591.61 in fiscal year 2024 to \$51,227,405.54 in fiscal year 2025. The net increase is largely attributable to the following:

- An increase in other administrative services expense of \$1,502,018.41 in fiscal year 2025,
- A decrease in plant operations and maintenance expense of \$30,286.47 in fiscal year 2025,
- An increase in interest on long-term debt of \$1,028,072.41 in fiscal year 2025, and
- A decrease in pupil transportation expense of \$117,745.25 in fiscal year 2025.

The Statement of Activities shows the net cost of program services and the charges for services and grants offsetting those services. Table 3 below shows the total cost of services and the net cost of services for the governmental activities. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

| TABLE 3 | | | | |
|---|--|-------------------------|--|-------------------------|
| NET COSTS OF GOVERNMENTAL ACTIVITIES | | | | |
| | <u>Total Costs</u> <u>of Services</u> | | <u>Net Costs</u> <u>of Services</u> | |
| | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> |
| <u>Governmental Activities:</u> | | | | |
| Instruction: | | | | |
| Regular | \$ 11,529,387.94 | \$ 12,072,516.23 | \$ 10,444,625.81 | \$ 10,670,918.13 |
| Special Education | 2,840,476.31 | 2,887,907.35 | 2,402,922.90 | 2,515,423.86 |
| School Sponsored Activities | 445,245.29 | 574,579.01 | 445,245.29 | 574,579.01 |
| Other Instruction | 830,964.24 | 776,264.46 | 830,964.24 | 776,264.46 |
| Support Services: | | | | |
| Tuition | 2,387,348.12 | 2,118,763.52 | 2,387,348.12 | 2,118,763.52 |
| Student and Instruction Related Services | 5,711,138.97 | 5,998,312.59 | 4,511,111.98 | 4,761,361.57 |
| Other Administrative Services | 2,389,739.30 | 887,720.89 | 2,389,739.30 | 813,564.75 |
| School Administrative Services | 2,295,744.91 | 2,451,769.89 | 2,295,744.91 | 2,451,769.89 |
| Plant Operations and Maintenance | 6,181,081.44 | 6,211,367.91 | 6,181,081.44 | 6,211,367.91 |
| Pupil Transportation | 1,790,092.89 | 1,907,838.14 | 1,790,092.89 | 1,907,838.14 |
| Personal Services - Employee Benefits | 10,949,377.71 | 11,200,892.19 | 7,444,325.13 | 7,091,116.01 |
| Special Schools | 58,870.09 | 56,700.65 | 58,870.09 | 56,700.65 |
| Transfer of Funds to Charter School | 76,017.00 | 59,845.00 | 76,017.00 | 59,845.00 |
| Interest on Long-Term Debt | 1,894,947.50 | 866,875.09 | 1,774,902.30 | 740,097.67 |
| Unallocated Depreciation | 146,118.89 | 144,015.41 | 146,118.89 | 144,015.41 |
| Total Governmental Activities | <u>\$ 49,526,550.60</u> | <u>\$ 48,215,368.33</u> | <u>\$ 43,179,110.29</u> | <u>\$ 40,893,625.98</u> |

THE SCHOOL DISTRICT'S FUNDS

Governmental Funds

As the School District completed the fiscal year, its governmental funds reported a combined fund balance of \$24,462,837.72, which is an increase over last fiscal year's total of \$1,394,490.02. Of the combined ending fund balances of \$24,462,837.72, the deficit unassigned fund balance was \$200,602.41 (see note 19 for cause of deficit).

The remainder of fund balance is restricted or assigned to indicate that it is not available for new spending because it has already been assigned as follows: (1) restricted for capital reserve (\$337,337.66), (2) restricted for emergency reserve (\$23,991.62), (3) restricted for maintenance reserve (\$195.96), (4) restricted for unemployment compensation (\$578,533.28), (5) restricted for capital projects (\$23,520,598.29), (6) restricted for debt service (\$37,125.85), (7) restricted for student activities (\$249,618.47), (8) assigned to liquidate contracts and purchase orders of the prior period (\$30,362.00), and (9) assigned for subsequent year's expenditures (\$155,677.00).

General fund - The general fund is the general operating fund of the School District and is used to account for the inflows and outflows of its financial resources. The acquisition of certain capital assets, such as equipment, is accounted for in the general fund when it is responsible for the financing of such expenditures. At the end of the current fiscal year, unassigned fund balance of the general fund was a deficit in the amount of \$200,602.41. As previously stated, the deficit is primarily due to the delay of the June state aid payments (see note 19).

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

THE SCHOOL DISTRICT'S FUNDS (CONT'D)

Governmental Funds (Cont'd)

General fund (cont'd) - During the current fiscal year, the fund balance of the School District's general fund decreased by \$216,776.09, or nineteen percent (19%). The primary factor affecting the fund balance of the general fund is as follows:

- Expenses exceeded current fiscal year revenues by \$216,776.09.

Special revenue fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources, such as state or federal government grants and student activities, that are restricted or committed to expend for specified purposes other than debt service or capital projects. Total revenues, and expenditures, resulting from these programs totaled \$2,284,789.12 and \$2,282,335.11, respectively, compared to revenues and expenditures of \$2,537,705.26 and \$2,563,408.52, respectively, in the prior fiscal year.

Capital projects fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of major capital facilities, other than those financed by the proprietary funds. Generally, the financial resources of the capital projects fund are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds, which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election. During the fiscal year ended June 30, 2025, one project was previously authorized for a total amount of \$175,000.00, which was funded through a donation. This project was completed during the current fiscal year and, as a result, had no remaining balance at year-end. In addition, a capital referendum was approved by the voters on March 12, 2024 in the amount of \$30,584,288.00, and bonds were issued on July 11, 2024 in the amount of \$30,584,000.00. The Capital Projects fund reported a restricted fund a balance of \$23,250,598.29 as of June 30, 2025.

Debt service fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. For the current fiscal year, the School District expended \$1,250,000.00 and \$843,561.26 representing the payment of bond principal and interest, respectively. At the end of the current fiscal year, restricted fund balance of the debt service fund was \$37,125.85.

Proprietary Funds (Enterprise Fund Types)

Food service fund - as the School District completed the fiscal year, the School District's total net position of the food service fund was a deficit of \$51,435.65, which was comprised of \$17,419.76 of net investment in capital assets and a deficit of \$68,855.41 of unrestricted net position.

During the current fiscal year, the net position of the School District's food service fund decreased by \$104,163.97, or one hundred ninety-eight percent (198%). The decrease in net position primarily resulted from total operating expenses exceeding total operating revenues by \$360,345.15.

Adult School fund - as the School District completed the fiscal year, the School District's total net position of the adult school fund was \$147.72, which was unrestricted.

During the current fiscal year, the net position of the School District's adult school fund did not change from the prior year as there was no adult school programs held during the fiscal year ended June 30, 2025.

School Age Child Care (SACC) - the SACC programs include the before school care fund, after school care fund, summer recreation fund, kindergarten care fund, and preschool extended day fund. As the School District completed the fiscal year, the School District's total net position of the SACC programs was \$201,335.10, which was all unrestricted.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

THE SCHOOL DISTRICT'S FUNDS (CONT'D)

Proprietary Funds (Enterprise Fund Types) (Cont'd)

School Age Child Care (SACC) (Cont'd) - During the current fiscal year, the net position of the School District's SACC programs decreased by \$225,923.23, or approximately fifty-three percent (53%). The large decrease in net position is primarily due to the discontinuation of the kindergarten care fund effective October 17, 2024.

General Fund Budgetary Highlights

The final budgetary basis revenue estimate was \$37,620,584.00, which remained the same from the original budgeted estimate. Total budgeted revenues realized equaled \$46,254,989.63, which was \$8,634,045.63 in excess of the budget estimate, thus replenishing fund balance. This excess was primarily attributable to the School District's on-behalf T.P.A.F. pension contributions (normal cost, non-contributory insurance, post-retirement medical, and long-term disability) and reimbursed T.P.A.F. social security contributions, which totaled \$7,271,663.00 and \$1,135,351.58, respectively.

The final budgetary basis expenditure appropriation estimate was \$38,648,928.14, which increased by \$114,745.00 from the original budgeted estimate. This increase was a result of the Board of Education approving an increase in expenditures due to an underbudgeted revenue amount. Actual expenditures incurred of \$46,851,732.30 were over the final budget estimate by \$8,202,804.16. This unfavorable variance primarily resulted from the corresponding non-budget expenditures associated with the aforementioned on-behalf T.P.A.F. pension contributions and reimbursed T.P.A.F. social security contributions.

Special Revenue Fund Budgetary Highlights

The final budgetary basis revenue estimate was \$2,242,751.36, which remained the same from the original budgeted estimate. Likewise, this was the same for the final budgetary basis appropriation estimate.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The School District's net investment in capital assets for its governmental and business-type activities as of June 30, 2025 amounts to a historical cost of \$83,628,304.85, or \$45,738,410.61 net of accumulated depreciation (see Table 4). This net investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, furniture, fixtures and equipment, and motor vehicles. Net capital assets increased by \$2,784,285.71 in fiscal year 2025 from fiscal year 2024.

The primary factors affecting the net change in net capital assets are as follows:

- current year depreciation expense was \$3,292,389.69, and
- capital asset additions in the amount of \$6,076,675.40.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

CAPITAL ASSET AND DEBT ADMINISTRATION (CONT'D)

Capital Assets (Cont'd)

| TABLE 4 | | | | | | |
|--|-------------------------|-------------------------|----------------------|--------------------|-------------------------|-------------------------|
| CAPITAL ASSETS AT FISCAL YEAR END | | | | | | |
| (NET OF ACCUMULATED DEPRECIATION) | | | | | | |
| | <u>Governmental</u> | | <u>Business-Type</u> | | <u>Government-wide</u> | |
| | <u>Activities</u> | | <u>Activities</u> | | <u>Totals</u> | |
| | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> |
| Land | \$ 1,121,580.00 | \$ 1,121,580.00 | | | \$ 1,121,580.00 | \$ 1,121,580.00 |
| Construction in Progress | 2,181,771.00 | | | | 2,181,771.00 | |
| Land Improvements | 1,139,756.02 | 960,476.07 | | | 1,139,756.02 | 960,476.07 |
| Buildings and Building Improvements | 35,250,250.36 | 37,440,570.79 | | | 35,250,250.36 | 37,440,570.79 |
| Furniture, Fixtures and Equipment | 5,785,971.37 | 3,100,575.53 | \$ 17,419.76 | \$ 2,722.40 | 5,803,391.13 | 3,103,297.93 |
| Motor Vehicles | 241,662.10 | 328,200.11 | | | 241,662.10 | 328,200.11 |
| Total | \$ 45,720,990.85 | \$ 42,951,402.50 | \$ 17,419.76 | \$ 2,722.40 | \$ 45,738,410.61 | \$ 42,954,124.90 |

Additional information on the School District's capital assets can be found in note 7.

Debt

General Serial Bonds. At the end of the current fiscal year, the School District had total bonded debt outstanding of \$53,982,000.00 from School Bonds, consisting of \$23,398,000.00 from the School Bonds, Series 2014 and \$30,584,000.00 from the School Bonds, Series 2024. The fiscal year 2025 adopted budget had an appropriation of \$1,250,000.00 representing the payment of the annual principal of the School Bonds, Series 2014.

Net Pension Liability. The School District's annual required contribution to the Public Employees' Retirement System are budgeted and paid on an annual basis. For additional details on the net pension liability, see note 9 to the financial statements.

Financed Purchases. At the end of the current fiscal year, the School District had total financed purchases outstanding of \$1,091,861.42 for several school buses, apple iMac computers, and apple iPads. Additional information on financed purchases can be found in note 8.

Compensated Absences. At the end of the current fiscal year, the liability for compensated absences was \$5,970,868.85. A liability for compensated absences is recognized for leave that is attributable to services already rendered, accumulates, and that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. For additional details on compensated absences, see note 1 and note 14 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For the fiscal year 2025, the School District was able to sustain its general fund budget through property taxes, federal, state and local sources, and other various revenue sources. Approximately fifty-six percent (56%) of total revenue is from property taxes, while forty-four percent (44%) of the School District's revenue is from federal, state, and local sources. The fiscal year 2026 budget was approved on May 6, 2025 by the Board.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
(Unaudited)

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Township of Haddon School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jennifer Gauld, School Business Administrator / Board Secretary, at the Township of Haddon School District, 500 Rhoads Avenue, Westmont, New Jersey 08108, or email at jgauld@htsd.us.

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|----------------------|
| ASSETS: | | | |
| Cash and Cash Equivalents | \$ 2,280,166.97 | \$ 502,143.16 | \$ 2,782,310.13 |
| Internal Balances | (643.00) | 643.00 | |
| Accounts Receivable | 994,334.99 | 44,333.69 | 1,038,668.68 |
| Inventory | | 11,547.64 | 11,547.64 |
| Restricted Assets: | | | |
| Cash and Cash Equivalents | 911,625.34 | | 911,625.34 |
| Investments | 20,555,490.75 | | 20,555,490.75 |
| Capital Assets, net | <u>45,720,990.85</u> | <u>17,419.76</u> | <u>45,738,410.61</u> |
| Total Assets | <u>70,461,965.90</u> | <u>576,087.25</u> | <u>71,038,053.15</u> |
| DEFERRED OUTFLOW OF RESOURCES: | | | |
| Related to Pensions | <u>672,869.00</u> | | <u>672,869.00</u> |
| Total Deferred Outflow of Resources | <u>672,869.00</u> | <u>-</u> | <u>672,869.00</u> |
| LIABILITIES: | | | |
| Accounts Payable: | | | |
| Other | 239,353.33 | 2,713.30 | 242,066.63 |
| Related to Pensions | 561,542.00 | | 561,542.00 |
| Accrued Liabilities: | | | |
| Interest Payable | 1,441,149.33 | | 1,441,149.33 |
| Other | 38,784.00 | | 38,784.00 |
| Unearned Revenue | | 343,654.50 | 343,654.50 |
| Noncurrent Liabilities: | | | |
| Due within One Year | 3,502,591.06 | 23,901.18 | 3,526,492.24 |
| Due beyond One Year | <u>63,350,475.95</u> | <u>55,771.10</u> | <u>63,406,247.05</u> |
| Total Liabilities | <u>69,133,895.67</u> | <u>426,040.08</u> | <u>69,559,935.75</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Related to Pensions | <u>553,706.00</u> | | <u>553,706.00</u> |
| Total Deferred Inflows of Resources | <u>553,706.00</u> | <u>-</u> | <u>553,706.00</u> |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|----------------------------------|------------------------------------|-------------------------------------|------------------------|
| NET POSITION: | | | |
| Net Investment in Capital Assets | \$ 15,346,925.90 | \$ 17,419.76 | \$ 15,364,345.66 |
| Restricted for: | | | |
| Debt Service | 37,125.85 | | 37,125.85 |
| Emergency | 23,991.62 | | 23,991.62 |
| Maintenance | 195.96 | | 195.96 |
| Unemployment Compensation | 578,533.28 | | 578,533.28 |
| Capital Projects | 337,337.66 | | 337,337.66 |
| Student Activities | 249,618.47 | | 249,618.47 |
| Unrestricted (Deficit) | (15,126,495.51) | 132,627.41 | (14,993,868.10) |
| Total Net Position | <u>\$ 1,447,233.23</u> | <u>\$ 150,047.17</u> | <u>\$ 1,597,280.40</u> |

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2025

| Functions / Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|-------------------------|------------------------|------------------------------------|----------------------------------|---|--------------------------|------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental Activities: | | | | | | | |
| Instruction: | | | | | | | |
| Regular | \$ 11,529,387.94 | | \$ 1,084,762.13 | | \$ (10,444,625.81) | | \$ (10,444,625.81) |
| Special Education | 2,840,476.31 | \$ 437,553.41 | | | (2,402,922.90) | | (2,402,922.90) |
| Other Special Instruction | 445,245.29 | | | | (445,245.29) | | (445,245.29) |
| Other Instruction | 830,964.24 | | | | (830,964.24) | | (830,964.24) |
| Support Services: | | | | | | | |
| Tuition | 2,387,348.12 | | | | (2,387,348.12) | | (2,387,348.12) |
| Student and Instruction Related Services | 5,711,138.97 | 557,960.78 | 642,066.21 | | (4,511,111.98) | | (4,511,111.98) |
| Other Administrative Services | 2,389,739.30 | | | | (2,389,739.30) | | (2,389,739.30) |
| School Administrative Services | 2,295,744.91 | | | | (2,295,744.91) | | (2,295,744.91) |
| Plant Operations and Maintenance | 6,181,081.44 | | | | (6,181,081.44) | | (6,181,081.44) |
| Pupil Transportation | 1,790,092.89 | | | | (1,790,092.89) | | (1,790,092.89) |
| Personal Services - Employee Benefits | 10,949,377.71 | | 3,505,052.58 | | (7,444,325.13) | | (7,444,325.13) |
| Special Schools | 58,870.09 | | | | (58,870.09) | | (58,870.09) |
| Transfer of Funds to Charter School | 76,017.00 | | | | (76,017.00) | | (76,017.00) |
| Interest on Long-Term Debt | 1,894,947.50 | | 120,045.20 | | (1,774,902.30) | | (1,774,902.30) |
| Unallocated Depreciation | 146,118.89 | | | | (146,118.89) | | (146,118.89) |
| Total Governmental Activities | 49,526,550.60 | 995,514.19 | 5,351,926.12 | - | (43,179,110.29) | - | (43,179,110.29) |
| Business-Type Activities: | | | | | | | |
| Food Service | 784,551.15 | 424,206.00 | 256,181.18 | | | \$ (104,163.97) | (104,163.97) |
| Before School Care | 119,152.81 | 61,231.92 | | | | (57,920.89) | (57,920.89) |
| After School Care | 394,872.05 | 486,127.01 | | | | 91,254.96 | 91,254.96 |
| Summer Recreation | 188,262.27 | 261,864.18 | | | | 73,601.91 | 73,601.91 |
| Preschool Extended Day | 214,016.66 | 236,861.18 | | | | 22,844.52 | 22,844.52 |
| Total Business-Type Activities | 1,700,854.94 | 1,470,290.29 | 256,181.18 | - | - | 25,616.53 | 25,616.53 |
| Total Government | \$ 51,227,405.54 | \$ 2,465,804.48 | \$ 5,608,107.30 | - | (43,179,110.29) | 25,616.53 | (43,153,493.76) |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2025

| Functions / Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|----------|----------------------|------------------------------------|----------------------------------|---|--------------------------|------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| General Revenues: | | | | | | | |
| Property Taxes: | | | | | | | |
| Levied for General Purposes | | | | | \$ 26,512,424.00 | | \$ 26,512,424.00 |
| Levied for Debt Service | | | | | 1,830,664.00 | | 1,830,664.00 |
| Federal and State Aid - Unrestricted | | | | | 10,289,229.33 | | 10,289,229.33 |
| Federal and State Aid - Restricted | | | | | 180,067.80 | | 180,067.80 |
| Interest and Investment Earnings - Unrestricted | | | | | 356,381.41 | | 356,381.41 |
| Interest and Investment Earnings - Restricted | | | | | 4,651.29 | | 4,651.29 |
| Miscellaneous - Unrestricted | | | | | 369,454.61 | | 369,454.61 |
| Transfers | | | | | 289,589.58 | \$ (289,589.58) | |
| Total General Revenues and Transfers | | | | | 39,832,462.02 | (289,589.58) | 39,542,872.44 |
| Change in Net Position | | | | | (3,346,648.27) | (263,973.05) | (3,610,621.32) |
| Net Position, July 1 | | | | | 10,328,247.17 | 451,752.50 | 10,779,999.67 |
| Prior Period Adjustments | | | | | (5,534,365.67) | (37,732.28) | (5,572,097.95) |
| Net Position, July 1 (Restated) | | | | | 4,793,881.50 | 414,020.22 | 5,207,901.72 |
| Net Position, June 30 | | | | | \$ 1,447,233.23 | \$ 150,047.17 | \$ 1,597,280.40 |

The accompanying notes to financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Fund Financial Statements

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2025

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|---|-------------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| ASSETS: | | | | | |
| Cash and Cash Equivalents | \$ 3,088,067.97 | \$ 66,298.49 | | \$ 37,125.85 | \$ 3,191,492.31 |
| Investments | | | \$ 20,555,490.75 | | 20,555,490.75 |
| Petty Cash | 300.00 | | | | 300.00 |
| Interfunds Account Receivable: | | | | | |
| General Fund | | | 3,594,945.71 | | 3,594,945.71 |
| Capital Projects Fund | 849,283.09 | | | | 849,283.09 |
| Intergovernmental Accounts Receivable: | | | | | |
| Federal | | 242,227.17 | | | 242,227.17 |
| State | 702,846.17 | | | | 702,846.17 |
| Other Accounts Receivable | 49,261.65 | | | | 49,261.65 |
| Total Assets | <u><u>\$ 4,689,758.88</u></u> | <u><u>\$ 308,525.66</u></u> | <u><u>\$ 24,150,436.46</u></u> | <u><u>\$ 37,125.85</u></u> | <u><u>\$ 29,185,846.85</u></u> |
| LIABILITIES AND FUND BALANCES: | | | | | |
| Liabilities: | | | | | |
| Interfunds Account Payable: | | | | | |
| General Fund | | | \$ 849,283.09 | | \$ 849,283.09 |
| Capital Projects Fund | \$ 3,594,945.71 | | | | 3,594,945.71 |
| Enterprise Fund - Food Service Fund | 643.00 | | | | 643.00 |
| Intergovernmental Accounts Payable: | | | | | |
| State | | \$ 55,573.19 | | | 55,573.19 |
| Accounts Payable | 40,792.86 | | 50,555.08 | | 91,347.94 |
| Payroll Deductions and Withholdings Payable | 40,546.07 | | | | 40,546.07 |
| Unemployment Compensation Claims Payable | 51,886.13 | | | | 51,886.13 |
| Unearned Revenue | 35,450.00 | 3,334.00 | | | 38,784.00 |
| Total Liabilities | <u><u>3,764,263.77</u></u> | <u><u>58,907.19</u></u> | <u><u>899,838.17</u></u> | <u><u>-</u></u> | <u><u>4,723,009.13</u></u> |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2025

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|--|------------------------|-----------------------------|------------------------------|--------------------------|---------------------------------|
| LIABILITIES AND FUND BALANCES (CONT'D): | | | | | |
| Fund Balances: | | | | | |
| Restricted: | | | | | |
| Capital Reserve | \$ 337,337.66 | | | | \$ 337,337.66 |
| Emergency Reserve | 23,991.62 | | | | 23,991.62 |
| Maintenance Reserve | 195.96 | | | | 195.96 |
| Unemployment Compensation | 578,533.28 | | | | 578,533.28 |
| Capital Projects | | | \$ 23,250,598.29 | | 23,250,598.29 |
| Debt Service | | | | \$ 37,125.85 | 37,125.85 |
| Student Activities | | \$ 249,618.47 | | | 249,618.47 |
| Assigned: | | | | | |
| Other Purposes | 30,362.00 | | | | 30,362.00 |
| Designated for Subsequent Year's Expenditures | 155,677.00 | | | | 155,677.00 |
| Unassigned (Deficit) | (200,602.41) | | | | (200,602.41) |
| Total Fund Balances | 925,495.11 | 249,618.47 | 23,250,598.29 | 37,125.85 | 24,462,837.72 |
| Total Liabilities and Fund Balances | \$ 4,689,758.88 | \$ 308,525.66 | \$ 24,150,436.46 | \$ 37,125.85 | |

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 \$83,448,255.69, and the accumulated depreciation is \$37,727,264.84.

45,720,990.85

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2025

| | <u>Total Governmental Funds</u> |
|--|---|
| Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because (cont'd): | |
| Deferred outflows and deferred inflows related to pensions represent the consumption and acquisition, respectively, of resources that relate to future periods; therefore, such amounts are not reported in the fund financial statements. | \$ 119,163.00 |
| Accounts payable related to pensions are not liquidated with current financial resources; therefore, such amounts are not recorded in the fund financial statements. | (561,542.00) |
| Accrued interest payable on long-term debt is not due and payable in the current period and therefore is not reported in the funds. | (1,441,149.33) |
| Long-term liabilities, including bonds payable, pension liability, financed purchases, and compensated absences payable are not due and payable in the current period and therefore are not reported in the funds. | <u>(66,853,067.01)</u> |
| Net Position of Governmental Activities | <u><u>\$ 1,447,233.23</u></u> |

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2025

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|---|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| REVENUES: | | | | | |
| Local Property Tax Levy | \$ 26,512,424.00 | | | \$ 1,830,664.00 | \$ 28,343,088.00 |
| Tuition Charges | 437,553.41 | | | | 437,553.41 |
| Other Restricted Miscellaneous Revenues | 4,651.29 | | | | 4,651.29 |
| Unrestricted Miscellaneous Revenues | 725,836.02 | | | | 725,836.02 |
| Federal Sources | 30,476.33 | \$ 1,116,165.53 | | | 1,146,641.86 |
| State Sources | 18,634,425.58 | 610,662.81 | | 300,113.00 | 19,545,201.39 |
| Local Sources | | 557,960.78 | | | 557,960.78 |
| | <u>46,345,366.63</u> | <u>2,284,789.12</u> | <u>-</u> | <u>2,130,777.00</u> | <u>50,760,932.75</u> |
| Total Revenues | | | | | |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| Regular Instruction | 10,873,572.72 | 1,082,308.12 | | | 11,955,880.84 |
| Special Education Instruction | 2,886,115.18 | | | | 2,886,115.18 |
| Other Special Instruction | 452,616.63 | | | | 452,616.63 |
| Other Instruction | 840,776.09 | | | | 840,776.09 |
| Support Services and Undistributed Costs: | | | | | |
| Tuition | 2,387,348.12 | | | | 2,387,348.12 |
| Student and Instruction Related Services | 4,565,026.48 | 1,200,026.99 | | | 5,765,053.47 |
| Other Administrative Services | 835,439.05 | | \$ 1,563,150.69 | | 2,398,589.74 |
| School Administrative Services | 2,331,852.71 | | | | 2,331,852.71 |
| Plant Operations and Maintenance | 3,351,755.30 | | | | 3,351,755.30 |
| Pupil Transportation | 1,687,375.56 | | | | 1,687,375.56 |
| Personal Services - Employee Benefits | 16,503,984.71 | | | | 16,503,984.71 |
| Capital Outlay | | | 6,060,554.24 | | 6,060,554.24 |
| Special Schools | 59,852.75 | | | | 59,852.75 |
| Transfer of Funds to Charter Schools | 76,017.00 | | | | 76,017.00 |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2025

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| EXPENDITURES (CONT'D): | | | | | |
| Debt Service: | | | | | |
| Principal | | | | \$ 1,250,000.00 | \$ 1,250,000.00 |
| Interest and Other Charges | | | | 843,651.26 | 843,651.26 |
| Total Expenditures | <u>\$ 46,851,732.30</u> | <u>\$ 2,282,335.11</u> | <u>\$ 7,623,704.93</u> | <u>2,093,651.26</u> | <u>58,851,423.60</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(506,365.67)</u> | <u>2,454.01</u> | <u>(7,623,704.93)</u> | <u>37,125.74</u> | <u>(8,090,490.85)</u> |
| OTHER FINANCING SOURCES (USES): | | | | | |
| Proceeds from Issuance of School Bonds | | | 30,584,000.00 | | 30,584,000.00 |
| Premium on School Bonds Issued | | | 285,248.97 | | 285,248.97 |
| Equity Transfer - Kindergarten Care Fund | 289,589.58 | | | | 289,589.58 |
| Total Other Financing Sources and Uses | <u>289,589.58</u> | <u>-</u> | <u>30,869,248.97</u> | <u>-</u> | <u>31,158,838.55</u> |
| Net Change in Fund Balances | <u>(216,776.09)</u> | <u>2,454.01</u> | <u>23,245,544.04</u> | <u>37,125.74</u> | <u>23,068,347.70</u> |
| Fund Balance, July 1 | <u>1,142,271.20</u> | <u>247,164.46</u> | <u>5,054.25</u> | <u>0.11</u> | <u>1,394,490.02</u> |
| Fund Balance, June 30 | <u>\$ 925,495.11</u> | <u>\$ 249,618.47</u> | <u>\$ 23,250,598.29</u> | <u>\$ 37,125.85</u> | <u>\$ 24,462,837.72</u> |

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - Governmental Funds \$ 23,068,347.70

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

| | | |
|----------------------|---------------------|--------------|
| Depreciation Expense | \$ (3,290,965.89) | |
| Capital Outlays | <u>6,060,554.24</u> | |
| | | 2,769,588.35 |

The issuance of long-term debt (e.g., bonds and financed purchases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items. (29,201,988.68)

In the statement of activities, certain operating expenses, (e.g., pensions, compensated absences and interest on debt), are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of these differences in the treatment of these items. 17,404.36

Change in Net Position of Governmental Activities \$ (3,346,648.27)

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Statements of Net Position
June 30, 2025

| | School Age Child Care (SACC) | | | | | | |
|---|------------------------------|--------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------------|
| | <u>Food Service</u> | <u>Adult School Fund</u> | <u>Before School Care Fund</u> | <u>After School Care Fund</u> | <u>Summer Recreation Fund</u> | <u>Kindergarten Care Fund</u> | <u>Preschool Extended Day Fund</u> |
| ASSETS: | | | | | | | |
| Current Assets: | | | | | | | |
| Cash and Cash Equivalents | | \$ 147.72 | | \$ 103,876.05 | \$ 306,067.42 | | \$ 92,051.97 |
| Interfund Accounts Receivable: | | | | | | | |
| General Fund | \$ 643.00 | | | 97,802.24 | | | |
| Enterprise Fund - Food Service Fund | | | | | 209,688.00 | | |
| Enterprise Fund - Before School Care Fund | | | | | | | |
| Intergovernmental Accounts Receivable: | | | | | | | |
| Federal | 11,167.26 | | | | | | |
| State | 767.54 | | | | | | |
| Other Accounts Receivable | 28,997.89 | | | 2,976.00 | | | 425.00 |
| Inventory: | | | | | | | |
| Food | 9,046.92 | | | | | | |
| Supplies | 2,500.72 | | | | | | |
| Total Current Assets | <u>53,123.33</u> | <u>147.72</u> | <u>-</u> | <u>204,654.29</u> | <u>515,755.42</u> | <u>-</u> | <u>92,476.97</u> |
| Noncurrent Assets: | | | | | | | |
| Capital Assets | 180,049.16 | | | | | | |
| Less: Accumulated Depreciation | <u>(162,629.40)</u> | | | | | | |
| Total Capital Assets (Net of Accumulated Depreciation) | <u>17,419.76</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Noncurrent Assets | <u>17,419.76</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>70,543.09</u> | <u>147.72</u> | <u>-</u> | <u>204,654.29</u> | <u>515,755.42</u> | <u>-</u> | <u>92,476.97</u> |
| LIABILITIES: | | | | | | | |
| Current Liabilities: | | | | | | | |
| Accounts Payable: | | | | | | | |
| Other | | | \$ 2,713.30 | | | | |
| Interfund Accounts Payable: | | | | | | | |
| Enterprise Fund - After School Care Fund | 97,802.24 | | | | | | |
| Enterprise Fund - Kindergarten Care Fund | | | 209,688.00 | | | | |
| Compensated Absences Payable | | | 5,086.07 | 6,804.97 | 970.09 | | 11,040.05 |
| Unearned Revenue | 24,176.50 | | | | 314,378.00 | | 5,100.00 |
| Total Current Liabilities | <u>121,978.74</u> | <u>-</u> | <u>217,487.37</u> | <u>6,804.97</u> | <u>315,348.09</u> | <u>-</u> | <u>16,140.05</u> |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Statements of Net Position
June 30, 2025

| | School Age Child Care (SACC) | | | | | | |
|----------------------------------|------------------------------|--------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------------|
| | <u>Food Service</u> | <u>Adult School Fund</u> | <u>Before School Care Fund</u> | <u>After School Care Fund</u> | <u>Summer Recreation Fund</u> | <u>Kindergarten Care Fund</u> | <u>Preschool Extended Day Fund</u> |
| LIABILITIES (CONT'D): | | | | | | | |
| Noncurrent Liabilities: | | | | | | | |
| Compensated Absences Payable | | | \$ 11,867.51 | \$ 15,878.26 | \$ 2,263.53 | | \$ 25,761.80 |
| Total Noncurrent Liabilities | - | - | 11,867.51 | 15,878.26 | 2,263.53 | - | 25,761.80 |
| Total Liabilities | \$ 121,978.74 | - | 229,354.88 | 22,683.23 | 317,611.62 | - | 41,901.85 |
| NET POSITION: | | | | | | | |
| Net Investment in Capital Assets | 17,419.76 | | | | | | |
| Unrestricted (Deficit) | (68,855.41) | \$ 147.72 | (229,354.88) | 181,971.06 | 198,143.80 | | 50,575.12 |
| Total Net Position | \$ (51,435.65) | \$ 147.72 | \$ (229,354.88) | \$ 181,971.06 | \$ 198,143.80 | - | \$ 50,575.12 |

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Statements of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2025

| | School Age Child Care (SACC) | | | | | | |
|---|------------------------------|----------------------|----------------------------|---------------------------|------------------------------|---------------------------|-----------------------------------|
| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Care Fund | Preschool Extended Day Fund |
| OPERATING REVENUES: | | | | | | | |
| Charges for Services: | | | | | | | |
| Daily Sales - Reimbursable Programs | \$ 247,648.45 | | | | | | |
| Daily Sales - Non-Reimbursable Programs | 140,145.87 | | | | | | |
| Special Functions | 36,411.68 | | | | | | |
| Other Activity Income | | | \$ 61,231.92 | \$ 486,127.01 | \$ 261,864.18 | | \$ 236,861.18 |
| Total Operating Revenues | 424,206.00 | - | 61,231.92 | 486,127.01 | 261,864.18 | - | 236,861.18 |
| OPERATING EXPENSES: | | | | | | | |
| Food Service Management Company Salaries and Benefits | 372,463.82 | | | | | | |
| Personnel Services - Salaries | | | 99,687.41 | 336,643.21 | 158,085.26 | | 191,920.76 |
| Personnel Services - Employee Benefits | | | 7,386.70 | 16,999.43 | 11,848.67 | | 14,354.50 |
| Purchased Professional and Technical Services | 7,154.18 | | | 2,247.50 | 2,247.50 | | 2,247.50 |
| Other Purchased Services | 81,029.74 | | | 11,980.00 | | | |
| Supplies and Materials | 21,550.89 | | 12,078.70 | 27,001.91 | 15,804.43 | | 5,493.90 |
| Depreciation | 1,423.80 | | | | | | |
| Cost of Sales / Goods Sold: | | | | | | | |
| Reimbursable Program | 241,060.27 | | | | | | |
| Non-Reimbursable Program | 58,803.00 | | | | | | |
| Miscellaneous | 1,065.45 | | | | 276.41 | | |
| Total Operating Expenses | 784,551.15 | - | 119,152.81 | 394,872.05 | 188,262.27 | - | 214,016.66 |
| Operating Income (Loss) | (360,345.15) | - | (57,920.89) | 91,254.96 | 73,601.91 | - | 22,844.52 |
| NONOPERATING REVENUES (EXPENSES): | | | | | | | |
| State Sources: | | | | | | | |
| State School Breakfast Program | 2,556.98 | | | | | | |
| State School Lunch Program | 10,343.78 | | | | | | |
| State S-EBT Reimbursement | 321.50 | | | | | | |
| Federal Sources: | | | | | | | |
| National School Breakfast Program | 23,943.81 | | | | | | |
| National School Lunch Program | 162,239.67 | | | | | | |
| After School Snack Program | 7,243.26 | | | | | | |
| Food Distribution Program | 49,210.68 | | | | | | |
| P-EBT Administrative Cost | 321.50 | | | | | | |
| Total Nonoperating Revenues (Expenses) | 256,181.18 | - | - | - | - | - | - |
| Income (Loss) before Transfers | (104,163.97) | - | (57,920.89) | 91,254.96 | 73,601.91 | - | 22,844.52 |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Statements of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2025

| | School Age Child Care (SACC) | | | | | | |
|---------------------------------|------------------------------|----------------------|----------------------------|---------------------------|------------------------------|---------------------------|-----------------------------------|
| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Care Fund | Preschool Extended Day Fund |
| TRANSFERS: | | | | | | | |
| Transfer to General Fund | | | | | | \$ (289,589.58) | |
| Total Transfers | - | - | - | - | - | (289,589.58) | - |
| Change in Net Position | \$ (104,163.97) | - | \$ (57,920.89) | \$ 91,254.96 | \$ 73,601.91 | (289,589.58) | \$ 22,844.52 |
| Net Position (Deficit), July 1 | 52,728.32 | \$ 147.72 | (154,165.38) | 73,205.67 | 127,232.97 | 289,589.58 | 63,013.62 |
| Prior Period Adjustments | - | - | (17,268.61) | 17,510.43 | (2,691.08) | - | (35,283.02) |
| Net Position, July 1 (Restated) | 52,728.32 | 147.72 | (171,433.99) | 90,716.10 | 124,541.89 | 289,589.58 | 27,730.60 |
| Net Position (Deficit), June 30 | \$ (51,435.65) | \$ 147.72 | \$ (229,354.88) | \$ 181,971.06 | \$ 198,143.80 | - | \$ 50,575.12 |

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Statements of Cash Flows
For the Fiscal Year Ended June 30, 2025

| | School Age Child Care (SACC) | | | | | | |
|---|------------------------------|----------------------|----------------------------|---------------------------|------------------------------|---------------------------|-----------------------------------|
| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Care Fund | Preschool Extended Day Fund |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | | | |
| Receipts from Customers and Users | \$ 391,634.83 | | \$ 62,901.42 | \$ 526,479.87 | \$ 303,450.20 | | \$ 236,036.18 |
| Receipts from Interfund Services Provided | 97,802.24 | | 53,853.12 | 7,834.88 | 387,060.57 | \$ 288,000.00 | 65,451.91 |
| Payments to Suppliers | (786,442.69) | | (9,365.40) | (41,229.41) | (18,528.34) | | (7,741.40) |
| Payments to Employees | | | (99,980.05) | (325,670.81) | (157,581.26) | | (190,509.87) |
| Payments for Employee Benefits | | | (7,409.09) | (16,160.04) | (11,810.13) | | (14,246.56) |
| Payments for Interfund Services Used | | | | (97,802.24) | (209,688.00) | | |
| Net Cash Provided by (Used for) Operating Activities | <u>(297,005.62)</u> | <u>-</u> | <u>-</u> | <u>53,452.25</u> | <u>292,903.04</u> | <u>288,000.00</u> | <u>88,990.26</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | | | |
| Federal Sources | 284,735.18 | | | | | | |
| State Sources | 14,710.48 | | | | | | |
| Transfer from / (to) General Fund | | | | | | (289,589.58) | |
| Net Cash Provided by (Used for) Noncapital Financing Activities | <u>299,445.66</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(289,589.58)</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | | | | |
| Purchases of Capital Assets | (16,121.16) | | | | | | |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | <u>(16,121.16)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (13,681.12) | | | 53,452.25 | 292,903.04 | (1,589.58) | 88,990.26 |
| Cash and Cash Equivalents, July 1 | 13,681.12 | \$ 147.72 | | 50,423.80 | 13,164.38 | 1,589.58 | 3,061.71 |
| Cash and Cash Equivalents, June 30 | <u>-</u> | <u>\$ 147.72</u> | <u>-</u> | <u>\$ 103,876.05</u> | <u>\$ 306,067.42</u> | <u>-</u> | <u>\$ 92,051.97</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | | | |
| Operating Income (Loss) | \$ (360,345.15) | | \$ (57,920.89) | \$ 91,254.96 | \$ 73,601.91 | | \$ 22,844.52 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | | | | |
| Depreciation | 1,423.80 | | | | | | |
| (Increase) Decrease in Interfund Accounts Receivable | | | | (89,967.36) | (209,688.00) | \$ 288,000.00 | |
| (Increase) Decrease in Other Accounts Receivable | (12,380.23) | | 1,669.50 | 40,352.86 | 387,060.57 | | 65,026.91 |
| (Increase) Decrease in Inventories for Consumption | (82.11) | | | | | | |
| (Increase) Decrease in Inventories for Resale | (3,233.23) | | | | | | |
| Increase (Decrease) in Accounts Payable - Other | | | 2,713.30 | | (200.00) | | |
| Increase (Decrease) in Compensated Absences Payable | | | (315.03) | 11,811.79 | 542.54 | | 1,518.83 |
| Increase (Decrease) in Interfund Accounts Payable | 97,802.24 | | 53,853.12 | | | | |
| Increase (Decrease) in Unearned Revenue | (20,190.94) | | | | 41,586.02 | | (400.00) |
| Total Adjustments | <u>63,339.53</u> | <u>-</u> | <u>57,920.89</u> | <u>(37,802.71)</u> | <u>219,301.13</u> | <u>288,000.00</u> | <u>66,145.74</u> |
| Net Cash Provided by (used for) Operating Activities | <u>\$ (297,005.62)</u> | <u>-</u> | <u>-</u> | <u>\$ 53,452.25</u> | <u>\$ 292,903.04</u> | <u>\$ 288,000.00</u> | <u>\$ 88,990.26</u> |

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Haddon School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Pre-K through twelve at its seven schools. The School District has an approximate enrollment at June 30, 2025 of 2,116.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Government-wide and Fund Financial Statements (Cont'd)**

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which 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.

The School District reports the following major governmental funds (cont'd):

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include salaries, benefits, administrative expenses, and claims paid. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Funds

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Adult School Fund - This fund accounts for financial transactions related to providing adult school services.

Before School Care Fund - This fund is a part of the School Age Child Care (SACC) program and accounts for the financial transactions related to providing before school care services.

After School Care Fund - This fund is a part of the School Age Child Care (SACC) program and accounts for the financial transactions related to providing after school care services.

Summer Recreation Fund - This fund is a part of the School Age Child Care (SACC) program and accounts for financial transactions related to providing summer recreation services.

Kindergarten Care Fund - This fund is a part of the School Age Child Care (SACC) program and accounts for financial transactions related to providing kindergarten care services.

Preschool Extended Day Fund - This fund is a part of the School Age Child Care (SACC) program and accounts for financial transactions related to providing extended day services for preschool students.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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:23A-16.2(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:23A-13.3.

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 payments for budgetary purposes only, and the special revenue fund. 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, school districts must record the delayed one or more 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. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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 accounting, as presented in the general fund budgetary comparison schedule 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 balances - 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 the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions in which they may invest. N.J.S.A. 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"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Lease Receivable**

Lease receivables recorded on the government-wide financial statement, in the governmental funds, and in the proprietary fund types represents a contract that conveys control of the right to use the School District's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The School District was not a lessor during the fiscal year ended June 30, 2025.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2025. The School District had no prepaid expenses for the fiscal year ended June 30, 2025.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered internal balances; therefore, such balances appear on the statement of net position as accounts receivable or accounts payable.

Capital Assets

Capital assets represent the cumulative amount of capital assets used by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. Intangible right to use assets (lease and subscription assets) are recorded as expenditures in the governmental fund financial statements. Lease assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Subscription assets are recorded as expenditures in the governmental fund financial statements. Subscription assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over the useful life of the assets. Lease and subscription assets are amortized in a systematic and rational manner over the shorter of the lease and subscription term or the useful life of the underlying assets. The useful lives of the School District's capital assets are as follows:

| <u>Description</u> | <u>Estimated Lives</u> |
|-------------------------------------|------------------------|
| Land Improvements | 10 - 20 Years |
| Buildings and Building Improvements | 18 - 50 Years |
| Furniture, Fixtures and Equipment | 5 - 30 Years |
| Motor Vehicles | 8 - 20 Years |

The School District does not possess any infrastructure assets.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Deferred Outflows of Resources and Deferred Inflows of Resources**

The statement of net position and the balance sheet for governmental funds reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2025 and 2024 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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 measurable and the School District is eligible to realize the revenue.

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2025, the amounts earned by these employees were disbursed to the employees' own individual accounts.

Compensated Absences

Compensated absences are payments or settlements to employees for accumulated time such as paid time off (PTO), sick leave, vacation leave, compensatory time, and certain types of sabbatical leave. A liability for compensated absences is recognized for leave that is attributable to services already rendered, accumulates, and that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The entire compensated absence liability, including applicable salary-related payments, is reported on the government-wide financial statements. Examples of salary-related payments include the employer share of Social Security and Medicare taxes. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. The governmental funds use the current financial resources measurement focus, and therefore expenditures are recognized for the amount that normally would be liquidated with expendable available financial resources, as payments come due each period, for example, use of leave or as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**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, governmental 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. Bonds are recognized as a liability on the governmental fund financial statements when due.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

Net position represents the difference between the 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 component represents capital assets, net of accumulated depreciation or amortization of intangible capital assets, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

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

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

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

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

The School District's classifications, and policies for determining such classifications, are as follows (Cont'd):

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

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.

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 assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statement for the fiscal year ended June 30, 2025:

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Because of the implementation of GASB Statement No. 101, the School District has reported and disclosed compensated absences in accordance with the Statement (notes 8 and 14).

Recently Issued Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statement that has an effective date that may affect future financial presentations:

Statement No. 103, *Financial Reporting Model Improvement*. The objective of this Statement is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through pre-agenda research conducted by the GASB. The Statement will become effective for the School District in the fiscal year ending June 30, 2026. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2025, the School District's bank balances of \$6,462,136.46 were exposed to custodial credit risk as follows:

| | |
|--------------------------------|------------------------|
| Insured by FDIC and GUDPA | \$ 5,710,008.76 |
| Uninsured and Uncollateralized | <u>752,127.70</u> |
| Total | <u>\$ 6,462,136.46</u> |

Note 3: INVESTMENTS

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk Related to Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy to limit its exposure to custodial credit risk. As of June 30, 2025, the School District's investments were exposed to custodial credit risk as follows:

| | |
|--|-------------------------|
| Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the School District's name | <u>\$ 20,555,490.75</u> |
|--|-------------------------|

As of June 30, 2025, the School District had the following investments:

| <u>Investment</u> | <u>Maturities (Months Average)</u> | <u>Fair Value Hierarchy Level *</u> | <u>Fair Value</u> |
|---------------------------|--|---|-------------------------|
| Money Market Mutual Funds | daily | Level 1 | <u>\$ 20,555,490.75</u> |

* Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

* Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

* Level 3 inputs are unobservable inputs for the asset; they should be used only when the relevant Level 1 and Level 2 inputs are unavailable.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy that would further limit its exposure to credit risk. As of June 30, 2025, the School District's investments had the following ratings:

| <u>Investment</u> | <u>Standard & Poor's</u> | <u>Moody's</u> |
|---------------------------|----------------------------------|----------------|
| Money Market Mutual Funds | AAAm | unrated |

Note 4: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1.00 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the 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 fiscal 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 by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The was no activity in the capital reserve for the fiscal year. The balance as of June 30, 2025, which remained unchanged from July 1, 2024, is \$337,337.66.

The June 30, 2025 LRFP balance of local support costs of uncompleted projects at June 30, 2025 is \$30,557,288.00. There were no withdrawals from the capital reserve account during the fiscal year ended June 30, 2025.

Note 5: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

| Description | Governmental Funds | | | Proprietary Funds | | | Total |
|----------------|----------------------|----------------------|-------------------------------|---------------------|--------------------|--------------------------------|------------------------|
| | General Fund | Special Revenue Fund | Total Governmental Activities | Food Service Fund | SACC Funds | Total Business-Type Activities | |
| Federal Awards | | \$ 242,227.17 | \$ 242,227.17 | \$ 11,167.26 | | \$ 11,167.26 | \$ 253,394.43 |
| State Awards | \$ 702,846.17 | | 702,846.17 | 767.54 | | 767.54 | 703,613.71 |
| Other | 49,261.65 | | 49,261.65 | 28,997.89 | \$ 3,401.00 | 32,398.89 | 81,660.54 |
| | <u>\$ 752,107.82</u> | <u>\$ 242,227.17</u> | <u>\$ 994,334.99</u> | <u>\$ 40,932.69</u> | <u>\$ 3,401.00</u> | <u>\$ 44,333.69</u> | <u>\$ 1,038,668.68</u> |

Note 6: INVENTORY

Inventory recorded at June 30, 2025 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

| | |
|---------------|---------------------|
| Food Supplies | \$ 9,046.92 |
| | <u>2,500.72</u> |
| | <u>\$ 11,547.64</u> |

Note 7: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025 is as follows:

| | <u>Balance</u> <u>July 1, 2024</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>June 30, 2025</u> |
|--|---------------------------------------|------------------------|------------------|--|
| Governmental Activities: | | | | |
| Capital Assets, not being Depreciated: | | | | |
| Land | \$ 1,121,580.00 | | | \$ 1,121,580.00 |
| Construction in Progress | | \$ 2,181,771.00 | | 2,181,771.00 |
| Total Capital Assets, not being Depreciated | <u>1,121,580.00</u> | <u>2,181,771.00</u> | <u>-</u> | <u>3,303,351.00</u> |
| Capital Assets, being Depreciated: | | | | |
| Land Improvements | 2,260,913.60 | 271,684.00 | | 2,532,597.60 |
| Buildings and Building Improvements | 67,389,972.44 | 440,754.28 | | 67,830,726.72 |
| Furniture, Fixtures and Equipment | 5,218,087.56 | 3,166,344.96 | | 8,384,432.52 |
| Motor Vehicles | 1,397,147.85 | | | 1,397,147.85 |
| Total Capital Assets, being Depreciated | <u>76,266,121.45</u> | <u>3,878,783.24</u> | <u>-</u> | <u>80,144,904.69</u> |
| Total Capital Assets, Cost | <u>77,387,701.45</u> | <u>6,060,554.24</u> | <u>-</u> | <u>83,448,255.69</u> |
| Less Accumulated Depreciation for: | | | | |
| Land Improvements | (1,300,437.53) | (92,404.05) | | (1,392,841.58) |
| Buildings and Building Improvements | (29,949,401.65) | (2,631,074.71) | | (32,580,476.36) |
| Furniture, Fixtures and Equipment | (2,117,512.03) | (480,949.12) | | (2,598,461.15) |
| Motor Vehicles | (1,068,947.74) | (86,538.01) | | (1,155,485.75) |
| Total Accumulated Depreciation | <u>(34,436,298.95)</u> | <u>(3,290,965.89)</u> | <u>-</u> | <u>(37,727,264.84)</u> |
| Total Capital Assets, being Depreciated, Net | <u>41,829,822.50</u> | <u>587,817.35</u> | <u>-</u> | <u>42,417,639.85</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 42,951,402.50</u> | <u>\$ 2,769,588.35</u> | <u>-</u> | <u>\$ 45,720,990.85</u> |
| | <u>Balance</u> <u>July 1, 2024</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>June 30, 2025</u> |
| Business-Type Activities: | | | | |
| Capital Assets, being Depreciated: | | | | |
| Furniture, Fixtures and Equipment | \$ 163,928.00 | \$ 16,121.16 | - | \$ 180,049.16 |
| Less Accumulated Depreciation for: | | | | |
| Furniture, Fixtures and Equipment | (161,205.60) | (1,423.80) | - | (162,629.40) |
| Total Capital Assets, being Depreciated, Net | <u>2,722.40</u> | <u>14,697.36</u> | <u>-</u> | <u>17,419.76</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 2,722.40</u> | <u>\$ 14,697.36</u> | <u>-</u> | <u>\$ 17,419.76</u> |

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

| | |
|--|------------------------|
| Governmental Activities: | |
| Unallocated | \$ 146,118.89 |
| Regular Instruction | 105,640.00 |
| Pupil Transportation | 114,854.70 |
| Plant Operations and Maintenance | <u>2,924,352.30</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 3,290,965.89</u> |
| Business-Type Activities: | |
| Food Service | <u>\$ 1,423.80</u> |

Note 8: LONG-TERM LIABILITIES

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

| | (Restated) Balance <u>July 1, 2024</u> | <u>Additions</u> | <u>Deductions</u> | Balance <u>June 30, 2025</u> | Due within <u>One Year</u> |
|---|--|-------------------------|--------------------------|---------------------------------|-------------------------------|
| Governmental Activities: | | | | | |
| Bonds Payable: | | | | | |
| General Obligation Bonds | \$ 24,648,000.00 | \$ 30,584,000.00 | \$ (1,250,000.00) | \$ 53,982,000.00 | \$ 1,275,000.00 |
| Add Amounts: | | | | | |
| Issuance Premiums | 405,059.55 | 285,248.97 | (35,291.50) | 655,017.02 | |
| Total Bonds Payable | <u>25,053,059.55</u> | <u>30,869,248.97</u> | <u>(1,285,291.50)</u> | <u>54,637,017.02</u> | <u>1,275,000.00</u> |
| Other Liabilities: | | | | | |
| Compensated Absences | 6,263,132.21 | | (371,935.64) * | 5,891,196.57 | 1,844,975.19 |
| Financed Purchases | 1,509,121.71 | | (417,260.29) | 1,091,861.42 | 382,615.87 |
| Net Pension Liability | 5,587,213.00 | 814,947.00 | (1,169,168.00) | 5,232,992.00 | |
| Total Other Liabilities | <u>13,359,466.92</u> | <u>814,947.00</u> | <u>(1,958,363.93)</u> | <u>12,216,049.99</u> | <u>2,227,591.06</u> |
| Governmental Activities Long-Term Liabilities | <u>\$ 38,412,526.47</u> | <u>\$ 31,684,195.97</u> | <u>\$ (3,243,655.43)</u> | <u>\$ 66,853,067.01</u> | <u>\$ 3,502,591.06</u> |

* the change in the compensated absences liability is presented as a net change.

The bonds payable are generally liquidated by the debt service fund, while financed purchases and net pension liability are liquidated by the general fund.

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

| | (Restated) Balance <u>July 1, 2024</u> | <u>Additions</u> | <u>Deductions</u> | Balance <u>June 30, 2025</u> | Due within <u>One Year</u> |
|----------------------------------|--|------------------|-------------------|---------------------------------|-------------------------------|
| Business-Type Activities: | | | | | |
| Other Liabilities: | | | | | |
| Compensated Absences Payable | \$ 66,114.15 | \$ 13,558.13 * | - | \$ 79,672.28 | \$ 23,901.68 |

* the change in the compensated absences liability is presented as a net change.

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

On December 3, 2014, the School District issued \$31,123,000.00 general obligation school bonds at interest rates varying from 3.00% to 4.00% for various construction and renovation projects. The final maturity of these bonds is August 1, 2044. The bonds will be paid from property taxes.

On July 11, 2024, the School District issued school bonds in the amount of \$30,584,000.00 general obligation school bonds at interest rates varying from 2.00% to 4.00% for various construction and renovation projects. The final maturity of these bonds is August 1, 2054. The bonds will be paid from property taxes.

Note 8: LONG-TERM LIABILITIES (CONT'D)

Principal and interest due on bonds outstanding is as follows:

| <u>Fiscal Year</u> <u>Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|-------------------------|-------------------------|-------------------------|
| 2026 | \$ 1,275,000.00 | \$ 2,577,227.51 | \$ 3,852,227.51 |
| 2027 | 1,954,000.00 | 1,941,578.76 | 3,895,578.76 |
| 2028 | 2,000,000.00 | 1,888,913.76 | 3,888,913.76 |
| 2029 | 2,035,000.00 | 1,835,263.76 | 3,870,263.76 |
| 2030 | 2,070,000.00 | 1,773,629.38 | 3,843,629.38 |
| 2031-2035 | 10,735,000.00 | 7,741,525.00 | 18,476,525.00 |
| 2036-2040 | 10,825,000.00 | 5,691,850.00 | 16,516,850.00 |
| 2041-2045 | 10,088,000.00 | 3,595,840.00 | 13,683,840.00 |
| 2046-2050 | 6,500,000.00 | 1,950,000.00 | 8,450,000.00 |
| 2051-2055 | 6,500,000.00 | 650,000.00 | 7,150,000.00 |
| Total | <u>\$ 53,982,000.00</u> | <u>\$ 29,645,828.17</u> | <u>\$ 83,627,828.17</u> |

Bonds Authorized but not Issued - As of June 30, 2025, the School District had no authorizations to issue additional bonded debt.

Financed Purchases - The School District's payments on financed purchases are budgeted and paid from the general fund on an annual basis.

As of June 30, 2025, the School District is financing two (2) 2021 school buses and two (2) 2023 school buses with total costs of \$172,065.49 and \$136,906.60, respectively. Each agreement is for a term of five (5) years at an interest rate of 2.2%. The final maturities of the financed purchases was October 1, 2024 and is March 5, 2026, respectively.

On August 1, 2023, the School District entered into a financed purchase agreement for several Apple iMac computers and iPads with a total cost of \$1,695,007.67. This agreement is for a term of five (5) years with an interest rate of 1.502%. The final maturity of this financed purchase is August 1, 2027.

The following is a schedule of the remaining future minimum payments under the financed purchases, and the present value of the net minimum payments at June 30, 2025:

| <u>Fiscal Year</u> <u>Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|------------------------|---------------------|------------------------|
| 2026 | \$ 382,615.87 | \$ 11,430.38 | \$ 394,046.25 |
| 2027 | 354,622.79 | 10,783.46 | 365,406.25 |
| 2028 | 354,622.76 | 10,783.49 | 365,406.25 |
| Total | <u>\$ 1,091,861.42</u> | <u>\$ 32,997.33</u> | <u>\$ 1,124,858.75</u> |

Financed purchases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

Compensated Absences - Refer to note 14 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Empower.

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are state or local officials who are elected or appointed on or after July 1, 2007; employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

Tier Definition

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

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

Public Employees' Retirement System - 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 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more service credit before age 62 and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 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.

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions**

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2024. The State's contribution is based on an actuarially determined amount, which includes the normal cost and an amortization of unfunded accrued liability. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2025 was 36.18% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2025 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2024, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2025 was \$5,706,759.00, and was paid by April 1, 2025. School District employee contributions to the Plan during the fiscal year ended June 30, 2025 were \$1,187,811.90.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2024. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, 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. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers. 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 nonemployer 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 or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - The School District's contractually required contribution rate for the fiscal year ended June 30, 2025 was 17.35% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2024, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2025 was \$524,037.00, and was paid by April 1, 2025. School District employee contributions to the Plan during the fiscal year ended June 30, 2025 were \$245,770.86.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the School District, under Chapter 133, P.L. 2001, for the fiscal year ended June 30, 2025 was .52% of the School District's covered payroll.

Based on the most recent PERS measurement date of June 30, 2024, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2025 was \$16,871.00. For the prior year measurement date of June 30, 2023, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the year ended June 30, 2024 was \$17,424.00.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2025, employee contributions totaled \$123,288.09, and the School District recognized pension expense, which equaled the required contributions, of \$89,239.74. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Teachers' Pension and Annuity Fund**

Pension Liability - At June 30, 2025, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

| | |
|---|-------------------------|
| Proportionate Share of Net Pension Liability | - |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer | \$ 65,255,827.00 |
| | <u>\$ 65,255,827.00</u> |

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Teachers' Pension and Annuity Fund (Cont'd)**

Pension Liability (Cont'd) - 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. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. For the June 30, 2024 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2024 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .1320297141%, which was an increase of .0024919911% from its proportion measured as of June 30, 2023.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2025, the State's proportionate share of the pension (benefit) expense, associated with the School District, calculated by the Plan as of June 30, 2024 measurement date, was \$(238,043.00).

Public Employees' Retirement System

Pension Liability - At June 30, 2025, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The School District reported a liability of \$5,232,992.00 for its proportionate share of the net pension liability for PERS. 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. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2024 measurement date, the School District's proportion was .0385117305%, which was a decrease of .0000623425% from its proportion measured as of June 30, 2023.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2025, the School District recognized pension (benefit) expense of \$(159,951.00), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2024 measurement date.

For the fiscal year ended June 30, 2025, the State's proportionate share of the pension (benefit) expense, associated with the School District, under Chapter 133, P.L. 2001, calculated by the Plan as of June 30, 2024 measurement date, was \$16,871.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources - At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows Resources |
|--|---|---------------------------------------|
| Differences between Expected and Actual Experience | \$ 104,826.00 | \$ 13,932.00 |
| Changes of Assumptions | 6,501.00 | 59,539.00 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | - | 242,640.00 |
| Changes in Proportion and Differences between Contribution and Proportionate Share of Contributions | - | 237,595.00 |
| Contributions Subsequent to the Measurement Date | 561,542.00 | - |
| | <u>\$ 672,869.00</u> | <u>\$ 553,706.00</u> |

Deferred outflows of resources in the amount of \$561,542.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ending June 30, | |
|--|------------------------|
| 2026 | \$ (367,448.00) |
| 2027 | 96,000.00 |
| 2028 | (112,545.00) |
| 2029 | (59,720.00) |
| 2030 | 1,334.00 |
| | <u>\$ (442,379.00)</u> |

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|--|---|--|
| Differences between Expected and Actual Experience | | | Difference between Projected and Actual Earnings on Pension Plan Investments | | |
| Year of Pension Plan Deferral: | | | Year of Pension Plan Deferral: | | |
| June 30, 2019 | 5.21 | - | June 30, 2020 | 5.00 | - |
| June 30, 2020 | 5.16 | - | June 30, 2021 | - | 5.00 |
| June 30, 2021 | - | 5.13 | June 30, 2022 | 5.00 | - |
| June 30, 2022 | - | 5.04 | June 30, 2023 | - | 5.00 |
| June 30, 2023 | 5.08 | - | June 30, 2024 | - | 5.00 |
| June 30, 2024 | 5.08 | - | | | |
| Changes of Assumptions | | | Changes in Proportion | | |
| Year of Pension Plan Deferral: | | | Year of Pension Plan Deferral: | | |
| June 30, 2019 | - | 5.21 | June 30, 2019 | 5.21 | 5.21 |
| June 30, 2020 | - | 5.16 | June 30, 2020 | 5.16 | 5.16 |
| June 30, 2021 | 5.13 | - | June 30, 2021 | 5.13 | 5.13 |
| June 30, 2022 | - | 5.04 | June 30, 2022 | 5.04 | 5.04 |
| | | | June 30, 2023 | 5.08 | 5.08 |
| | | | June 30, 2024 | 5.08 | 5.08 |

Actuarial Assumptions

The net pension liabilities were measured as of June 30, 2024 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2023. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

| | <u>TPAF</u> | <u>PERS</u> |
|---|------------------------------|------------------------------|
| Inflation Rate: | | |
| Price | 2.75% | 2.75% |
| Wage | 3.25% | 3.25% |
| Salary Increases: | 2.75% - 5.65% | 2.75% - 6.55% |
| | Based on Years of Service | Based on Years of Service |
| Investment Rate of Return | 7.00% | 7.00% |
| Period of Actuarial Experience | | |
| Study upon which Actuarial Assumptions were Based | July 1, 2018 - June 30, 2021 | July 1, 2018 - June 30, 2021 |

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

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

For PERS, 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.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2024 measurement date) 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 TPAF's and PERS' target asset allocation as of the June 30, 2024 measurement date 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-US Developed Markets Equity | 12.75% | 8.85% |
| International Small Cap Equity | 1.25% | 8.85% |
| Emerging Market 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> | |

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Discount Rate**

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

Public Employees' Retirement System - 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 would 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments in determining the total pension liability.

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

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2024, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2024 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 7.00% as well as what the State's net pension 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:

| | <u>TPAF</u> | | |
|---|------------------------------------|--|------------------------------------|
| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
| Proportionate Share of the Net Pension Liability | - | - | - |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer | <u>\$ 77,565,788.00</u> | <u>\$ 65,255,827.00</u> | <u>\$ 54,888,512.00</u> |
| | <u>\$ 77,565,788.00</u> | <u>\$ 65,255,827.00</u> | <u>\$ 54,888,512.00</u> |

Note 9: PENSION PLANS (CONT'D)

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2024, the Plan's measurement date, calculated using a 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% lower or 1% higher than the current rates used:

| | PERS | | |
|---|------------------------------------|--|------------------------------------|
| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
| Proportionate Share of the Net Pension Liability | <u>\$ 6,953,359.00</u> | <u>\$ 5,232,992.00</u> | <u>\$ 3,768,968.00</u> |

Pension Plan Fiduciary Net Position

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN

General Information about the OPEB Plan

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, 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 OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
 Division of Pensions and Benefits
 P.O. Box 295
 Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

Contributions - The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the "State") 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.

Employees Covered by Benefit Terms - At June 30, 2024, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

| | |
|--|----------------|
| Active Plan Members | 219,185 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 153,556 |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments | - |
| | <u>372,741</u> |

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2025 was \$91,783,284.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. For the June 30, 2024 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was .1538680869%, which was an increase of .0009142970% from its proportion measured as of June 30, 2023.

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases -

| | <u>TPAF/ABP</u> * | <u>PERS</u> * | <u>PFRS</u> * |
|------------------|-------------------|----------------|-----------------|
| Salary Increases | 2.75% to 5.65% | 2.75% to 6.55% | 3.25% to 16.25% |

* based on service years

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)****Actuarial Assumptions and Other Inputs (Cont'd) -**

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

Experience Studies - The actuarial assumptions used in the July 1, 2023 valuation, which was rolled forward to June 30, 2024, were based on the results of actuarial experience studies for the periods July 1, 2018 to June 30, 2021 for TPAF, PERS, and PFRS.

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 is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend 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 for June 30, 2024 measurement date 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.

Changes in the Total Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

| | | |
|---|-----------------|-------------------------|
| Balance at June 30, 2024 | | \$ 80,089,156.00 |
| Changes for the Year: | | |
| Service Cost | \$ 2,724,587.00 | |
| Interest Cost | 3,021,288.00 | |
| Changes in Benefit Terms | - | |
| Difference between Expected and Actual Experience | 1,310,042.00 | |
| Changes in Assumptions | 6,866,610.00 | |
| Member Contributions | 79,008.00 | |
| Gross Benefit Payments | (2,307,407.00) | |
| | | <u>11,694,128.00</u> |
| Net Changes | | <u>11,694,128.00</u> |
| Balance at June 30, 2025 | | <u>\$ 91,783,284.00</u> |

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)

Changes in the Total Non-Employer OPEB Liability (Cont'd)

Differences between expected and actual experience reflect an increase in liability for the measurement period from June 30, 2023 to June 30, 2024 due to changes in the census and premium and claims experience.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2023 to June 30, 2024 due to the combined effect of the discount rate change; and changes in the trend update.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the School District, using a discount rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

| | 1% Decrease <u>(2.93%)</u> | Current Discount Rate <u>(3.93%)</u> | 1% Increase <u>(4.93%)</u> |
|---|---|---|---|
| State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer | <u>\$ 107,497,883.00</u> | <u>\$ 91,783,284.00</u> | <u>\$ 79,145,485.00</u> |

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

| | 1% Decrease | Healthcare Cost Trend Rates | 1% Increase |
|---|-------------------------|--|--------------------------|
| State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer | <u>\$ 76,456,144.00</u> | <u>\$ 91,783,284.00</u> | <u>\$ 111,747,896.00</u> |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense - For the fiscal year ended June 30, 2025, the School District recognized \$2,298,492.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2024 measurement date.

Deferred Outflows and Inflows of Resources - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2025, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|--|---|
| Difference between Expected and Actual Experience | \$ 9,815,141.00 | \$ 17,140,454.00 |
| Changes of Assumptions | 15,394,468.00 | 17,945,032.00 |
| Changes in Proportion | <u>2,095,243.00</u> | <u>1,905,788.00</u> |
| | <u>\$ 27,304,852.00</u> | <u>\$ 36,991,274.00</u> |

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)

Deferred Outflows and Inflows of Resources (Cont'd) - Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30, | |
|--|--------------------------|
| 2026 | \$ (3,448,280.00) |
| 2027 | (2,910,773.00) |
| 2028 | (1,466,304.00) |
| 2029 | 355,235.00 |
| 2030 | (2,203,750.00) |
| Thereafter | <u>(12,550.00)</u> |
| | <u>\$ (9,686,422.00)</u> |

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2025, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$5,532,489.00, \$68,533.00, \$1,636,623.00, and \$2,676.00, respectively.

Note 12: RISK MANAGEMENT

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

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

The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

| Fiscal Year Ended June 30, | Employee Contributions | Interest Income | Claims Incurred | Claims Payable | Ending Balance |
|---------------------------------------|-----------------------------------|----------------------------|----------------------------|---------------------------|--|
| | | | | | Restricted Fund Balance |
| 2025 | \$ 38,576.91 | \$ 4,651.29 | \$ 73,290.66 | \$ 51,886.13 | \$ 578,533.28 |
| 2024 | 53,617.80 | 4,936.52 | 31,743.05 | 86,599.88 | 573,881.99 |
| 2023 | 48,551.97 | 2,418.91 | 66,941.15 | 64,725.13 | 568,945.47 |

Note 12: RISK MANAGEMENT (CONT'D)

Joint Insurance Fund - The School District is a member of the Burlington County Insurance Pool Joint Insurance Fund (the "Fund"). The Fund provides its members with the following coverage:

Property (Including Auto Physical Damage)
 Boiler and Machinery
 Crime
 General and Automobile Liability
 Workers' Compensation
 Educator's Legal Liability
 Pollution Legal Liability
 Cyber Liability
 Violent Malicious Acts
 Disaster Management Services

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
 Excess General Liability
 Non-Owned Aircraft Liability
 Excess Auto Liability
 Fidelity and Performance (Blanket)
 Excess Property including Boiler and Machinery
 Crime including Excess Public Employee and Public Official Coverage

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report that can be obtained from:

Burlington County Insurance Pool Joint Insurance Fund
 6000 Sagemore Drive, Suite 6203
 Marlton, New Jersey 08053

Note 13: DEFERRED COMPENSATION

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

Lincoln Investment Planning
 Siracusa Benefits program
 Midland National Life Insurance Company
 Equitable

Note 14: COMPENSATED ABSENCES

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days that may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2025, the liability for compensated absences reported on the government-wide statement of net position for the governmental activities fund and on the proprietary fund statement of net position was \$5,891,196.57 and \$79,672.28, respectively.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfunds - The composition of interfund balances as of June 30, 2025 is as follows:

| <u>Fund</u> | <u>Interfunds Receivable</u> | <u>Interfunds Payable</u> |
|---|----------------------------------|-------------------------------|
| General | \$ 849,283.09 | \$ 3,595,588.71 |
| Capital Projects | 3,594,945.71 | 849,283.09 |
| Enterprise Fund - Food Service Fund | 643.00 | 97,802.24 |
| Enterprise Fund - After Care Fund | 97,802.24 | |
| Enterprise Fund - Before Care Fund | | 209,688.00 |
| Enterprise Fund - Summer Recreation Care Fund | 209,688.00 | |
| | <u>\$ 4,752,362.04</u> | <u>\$ 4,752,362.04</u> |

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2026, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Transfers - On October 17, 2024, the Board of Education of the School District approved operations related to the enterprise fund - kindergarten care fund to discontinue effective October 17, 2024. As the result of this decision, the Board of Education authorized a transfer of \$289,589.58 from the enterprise fund - kindergarten care fund to the general fund in fiscal year 2025.

Note 16: CONTINGENCIES

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

Note 17: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 18: COMMITMENTS

The School District had several construction projects ongoing as of the fiscal year ended June 30, 2025 that are to continue into the subsequent fiscal year(s). These projects, which are related to the capital projects fund, are as follows:

| <u>Vendor</u> | <u>Commitment Date</u> | <u>Amount Outstanding</u> |
|-----------------------|----------------------------|-------------------------------|
| Spiezle Architectural | 07/01/24 | \$ 207,313.79 |
| Pennoni Associates | 09/05/24 | 73,518.08 |
| New Road Construction | 09/12/24 | 503,915.00 |
| Northeast Plumbing | 09/30/24 | 197,578.00 |
| Fieldturf USA, Inc. | 02/06/25 | 1,901,142.97 |
| Musco Sports Lighting | 03/25/25 | 640,000.00 |
| Newport Construction | 04/08/25 | 16,215,592.24 |
| Northeast Mechanical | 04/17/25 | 159,682.00 |
| Northeast Mechanical | 04/30/25 | 176,582.00 |
| Northeast Mechanical | 05/22/25 | 57,994.00 |
| Miller Buildings, Inc | 06/25/25 | 110,245.00 |
| Landberg Construction | 06/30/25 | 978,500.00 |
| Total | | <u>\$ 21,222,063.08</u> |

Note 19: DEFICIT FUND BALANCES

The School District has a deficit unassigned fund balance of \$200,602.41 in the general 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, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute 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 payment 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 unassigned general fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District unassigned deficit in the GAAP funds statements of \$200,602.41 is less than the June state aid payments.

Note 20: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Capital Reserve Account - As of June 30, 2025, the balance in the capital reserve account is \$337,337.66. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Emergency Reserve - As of June 30, 2025, the balance in the emergency reserve is \$23,991.62. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

For Maintenance Reserve Account - As of June 30, 2025, the balance in the maintenance reserve account is \$195.96. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Unemployment Compensation - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 12). As a result, there exists at June 30, 2025 a restricted fund balance from employer contributions in the amount of \$578,533.28 for future unemployment claims.

Special Revenue Fund

For Student Activities - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2025 is \$249,618.47.

Capital Projects Fund - On July 11, 2024, the School District issued \$30,584,000.00 of general obligation bonds pursuant to: (i) Chapter 24 of Title 18A of the New Jersey Statutes, as amended and supplemented ("School Bond Law") and (ii) two (2) resolutions adopted by the Board on January 3, 2024 and March 12, 2024, respectively. The Bonds were authorized and approved by the voters of the School District at a special election held on March 12, 2024. The bond issuance was approved by the voters for various capital projects. As of June 30, 2025, the restricted fund balance amount was \$23,250,598.29.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As of June 30, 2025, the restricted fund balance amount was \$37,125.85.

Note 20: FUND BALANCES (CONT'D)**ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

Other Purposes - As of June 30, 2025, the School District had \$30,362.00 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2026 \$155,677.00 of general fund balance at June 30, 2025.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2025, there was a deficit of general fund balance in the amount of \$(200,602.41), which was unassigned.

Note 21: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), 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.

The Township of Haddon has entered into various property tax abatement agreements with properties having aggregate assessed valuations of \$82,186,400.00. Based on the School District's 2025 certified tax rate of \$1.188, abated taxes totaled \$976,374.43.

Note 22: RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS

During the fiscal year ended June 30, 2025, the School District adopted a change in accounting principle because of the implementation of new authoritative pronouncement, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. As a result, net position as of July 1, 2024 has been restated.

In addition, during the fiscal year ended June 30, 2025, the School District became aware of revenue that was for the prior school year but was not recorded as accounts receivable as of June 30, 2024. As a result, the School District has restated net position of the business-type activities and the after school care fund as of July 1, 2024.

Note 22: RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (CONT'D)

The following tables illustrate the effect on beginning net position, as a result of the items above:

| | Governmental Activities |
|---|------------------------------------|
| Beginning Net Position as Previously Reported at July 1, 2024 | \$ 10,328,247.17 |
| Prior Period Adjustments: | |
| Implementation of GASB Statement No. 101: | |
| Noncurrent Liabilities: | |
| Compensated Absences | (5,534,365.67) |
| Net Position as Restated, July 1, 2024 | \$ 4,793,881.50 |

| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Fund | Preschool Extended Day Fund | Total Business - Type Activities / Enterprise Funds |
|---|-----------------|-------------------------|-------------------------------|------------------------------|------------------------------|----------------------|-----------------------------------|--|
| Beginning Net Position as Previously Reported at July 1, 2024 | \$ 52,728.32 | \$ 147.72 | \$ (154,165.38) | \$ 73,205.67 | \$ 127,232.97 | \$ 289,589.58 | \$ 63,013.62 | \$ 451,752.50 |
| Prior Period Adjustments: | | | | | | | | |
| Unrecorded Revenue and Accounts Receivable | | | | 28,381.87 | | | | 28,381.87 |
| Implementation of GASB Statement No. 101: | | | | | | | | |
| Noncurrent Liabilities: | | | | | | | | |
| Compensated Absences | | | (17,268.61) | (10,871.44) | (2,691.08) | | (35,283.02) | (66,114.15) |
| Total Prior Period Adjustments | - | - | (17,268.61) | 17,510.43 | (2,691.08) | - | (35,283.02) | (37,732.28) |
| Net Position as Restated, July 1, 2024 | \$ 52,728.32 | \$ 147.72 | \$ (171,433.99) | \$ 90,716.10 | \$ 124,541.89 | \$ 289,589.58 | \$ 27,730.60 | \$ 414,020.22 |

The following financial statement line items for the fiscal year ended June 30, 2024, were affected by the unrecorded revenue and accounts receivable activity described above:

Business-Type Activities:

| | As Previously Reported | As Restated | Effect of Change |
|----------------------------------|---------------------------|--------------|---------------------|
| Statement of Net Position | | | |
| ASSETS: | | | |
| Accounts Receivable | \$ 64,899.93 | \$ 93,281.80 | \$ 28,381.87 |
| NET POSITION: | | | |
| Unrestricted (Deficit) | 449,030.10 | 477,411.97 | 28,381.87 |
| Statement of Activities | | | |
| After School Care | | | |
| Charges for Services | 373,115.89 | 401,497.76 | 28,381.87 |
| Change in Net Position | (32,409.90) | (4,028.03) | 28,381.87 |
| Net Position, June 30 | 451,752.50 | 480,134.37 | 28,381.87 |

Note 22: RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (CONT'D)

The following financial statement line items for the fiscal year ended June 30, 2024, were affected by the unrecorded revenue and accounts receivable activity described above (cont'd):

Enterprise Fund - After School Care Fund:

| | <u>As Previously Reported</u> | <u>As Restated</u> | <u>Effect of Change</u> |
|---|-----------------------------------|--------------------|-----------------------------|
| Statements of Net Position | | | |
| ASSETS: | | | |
| Other Accounts Receivable | \$ 14,946.99 | \$ 43,328.86 | \$ 28,381.87 |
| NET POSITION: | | | |
| Unrestricted (Deficit) | 73,205.67 | 101,587.54 | 28,381.87 |
| Statements of Revenues, Expenses, and Changes in Fund Net Position | | | |
| OPERATING REVENUES: | | | |
| Other Activity Income | 373,115.89 | 401,497.76 | 28,381.87 |
| Change in Net Position | 76,703.57 | 105,085.44 | 28,381.87 |
| Net Position (Deficit), June 30 | 73,205.67 | 101,587.54 | 28,381.87 |
| Statements of Cash Flows | | | |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | 76,703.57 | 105,085.44 | 28,381.87 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | |
| (Increase) Decrease in Other Accounts Receivable: | (4,091.99) | (32,473.86) | (28,381.87) |

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|---|-------------------------|----------------------|-------------------------------------|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 26,512,424.00 | | \$ 26,512,424.00 | \$ 26,512,424.00 | |
| Tuition from Individuals | 439,525.00 | | 439,525.00 | 416,640.41 | \$ (22,884.59) |
| Tuition from Other LEAs Within the State | | | | 20,913.00 | 20,913.00 |
| Interest Earned on Current Expense Emergency Reserve Funds | 750.00 | | 750.00 | | (750.00) |
| Interest Earned on Maintenance Reserve Funds | 150.00 | | 150.00 | | (150.00) |
| Interest Earned on Capital Reserve Funds | 5,700.00 | | 5,700.00 | | (5,700.00) |
| Other Restricted Miscellaneous Revenues | | | | 4,651.29 | 4,651.29 |
| Unrestricted Miscellaneous Revenues | 265,011.00 | | 265,011.00 | 725,836.02 | 460,825.02 |
| Total - Local Sources | 27,223,560.00 | - | 27,223,560.00 | 27,680,464.72 | 456,904.72 |
| Federal Sources: | | | | | |
| Medicaid Reimbursement | 47,795.00 | | 47,795.00 | 30,476.33 | (17,318.67) |
| Total - Federal Sources | 47,795.00 | - | 47,795.00 | 30,476.33 | (17,318.67) |
| State Sources: | | | | | |
| Categorical Special Education Aid | 2,200,321.00 | | 2,200,321.00 | 2,200,321.00 | |
| Equalization Aid | 6,710,202.00 | | 6,710,202.00 | 6,710,202.00 | |
| Categorical Security Aid | 242,605.00 | | 242,605.00 | 242,605.00 | |
| Categorical Transportation Aid | 3,722.00 | | 3,722.00 | 3,722.00 | |
| Stabilized School Budget Aid | 362,379.00 | | 362,379.00 | 362,739.00 | 360.00 |
| Extraordinary Aid | 830,000.00 | | 830,000.00 | 617,445.00 | (212,555.00) |
| Other State Aids: | | | | | |
| Non-Public Transportation Aid | | | | 28,020.00 | 28,020.00 |
| State Reimbursement for Menstrual Products | | | | 3,322.00 | 3,322.00 |
| On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted) | | | | 5,532,489.00 | 5,532,489.00 |
| On-Behalf T.P.A.F. Pension Contributions - Non-contributory Insurance | | | | 68,533.00 | 68,533.00 |
| On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted) | | | | 1,636,623.00 | 1,636,623.00 |
| On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted) | | | | 2,676.00 | 2,676.00 |
| Reimbursed T.P.A.F. Social Security Contributions (non-budgeted) | | | | 1,135,351.58 | 1,135,351.58 |
| Total - State Sources | 10,349,229.00 | - | 10,349,229.00 | 18,544,048.58 | 8,194,819.58 |
| Total Revenues | 37,620,584.00 | - | 37,620,584.00 | 46,254,989.63 | 8,634,405.63 |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|---|-------------------------|----------------------|-------------------------------------|
| EXPENDITURES: | | | | | |
| Current Expense: | | | | | |
| Regular Programs - Instruction: | | | | | |
| Preschool - Salaries of Teachers | \$ 214,598.00 | \$ 17,717.17 | \$ 232,315.17 | \$ 232,315.17 | |
| Kindergarten - Salaries of Teachers | 532,433.00 | 62,652.00 | 595,085.00 | 595,085.00 | |
| Grades 1-5 - Salaries of Teachers | 3,326,075.00 | 113,695.79 | 3,439,770.79 | 3,439,770.79 | |
| Grades 6-8 - Salaries of Teachers | 2,216,629.00 | 9,555.20 | 2,226,184.20 | 2,226,184.20 | |
| Grades 9-12 - Salaries of Teachers | 3,464,350.00 | 19,697.50 | 3,484,047.50 | 3,484,047.50 | |
| Regular Programs - Home Instruction: | | | | | |
| Salaries of Teachers | 12,000.00 | 11,894.16 | 23,894.16 | 23,894.16 | |
| Other Purchased Services (400-500 Series) | | 10,678.59 | 10,678.59 | 10,678.59 | |
| Regular Programs - Undistributed Instruction: | | | | | |
| Other Salaries for Instruction | 95,416.00 | 58,450.62 | 153,866.62 | 153,866.62 | |
| Purchased Professional - Educational Services | 29,650.00 | (20,722.19) | 8,927.81 | 8,927.81 | |
| Purchased Technical Services | 3,850.00 | (1.10) | 3,848.90 | 3,848.90 | |
| Other Purchased Services (400-500 Series) | 79,995.00 | (2,896.40) | 77,098.60 | 77,098.60 | |
| General Supplies | 646,028.00 | (41,266.02) | 604,761.98 | 604,761.98 | |
| Textbooks | | 12,893.40 | 12,893.40 | 12,893.40 | |
| Other Objects | 2,520.00 | (2,320.00) | 200.00 | 200.00 | |
| Total Regular Programs - Instruction | 10,623,544.00 | 250,028.72 | 10,873,572.72 | 10,873,572.72 | - |
| Special Education - Instruction: | | | | | |
| Learning and / or Language Disabilities: | | | | | |
| Salaries of Teachers | 216,116.00 | (8,756.00) | 207,360.00 | 207,360.00 | |
| Other Salaries for Instruction | 162,885.00 | 14,755.13 | 177,640.13 | 177,640.13 | |
| General Supplies | 3,420.00 | (999.70) | 2,420.30 | 2,420.30 | |
| Total Learning and / or Language Disabilities | 382,421.00 | 4,999.43 | 387,420.43 | 387,420.43 | - |
| Multiple Disabilities: | | | | | |
| Salaries of Teachers | 72,268.00 | 4,141.00 | 76,409.00 | 76,409.00 | |
| Other Salaries for Instruction | 18,955.00 | 28,516.17 | 47,471.17 | 47,471.17 | |
| General Supplies | 1,080.00 | (398.02) | 681.98 | 681.98 | |
| Total Multiple Disabilities | 92,303.00 | 32,259.15 | 124,562.15 | 124,562.15 | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|-------------------------|---------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Special Education - Instruction (Cont'd): | | | | | |
| Resource Room / Resource Center: | | | | | |
| Salaries of Teachers | \$ 1,620,324.00 | \$ (167,477.09) | \$ 1,452,846.91 | \$ 1,452,846.91 | |
| Other Salaries for Instruction | 424,167.00 | 184,555.31 | 608,722.31 | 608,722.31 | |
| General Supplies | 21,300.00 | (8,355.23) | 12,944.77 | 12,944.77 | |
| Total Resource Room / Resource Center | <u>2,065,791.00</u> | <u>8,722.99</u> | <u>2,074,513.99</u> | <u>2,074,513.99</u> | <u>-</u> |
| Preschool Disabilities - Part-Time: | | | | | |
| Salaries of Teachers | 131,171.00 | 28,762.03 | 159,933.03 | 159,933.03 | |
| Other Salaries for Instruction | 46,905.00 | (13,547.35) | 33,357.65 | 33,357.65 | |
| General Supplies | 3,000.00 | (1,596.52) | 1,403.48 | 1,403.48 | |
| Total Preschool Disabilities - Part-Time | <u>181,076.00</u> | <u>13,618.16</u> | <u>194,694.16</u> | <u>194,694.16</u> | <u>-</u> |
| Home Instruction: | | | | | |
| Salaries of Teachers | 6,000.00 | 10,080.34 | 16,080.34 | 16,080.34 | |
| Other Purchased Services (400-500 Series) | 86,000.00 | 2,844.11 | 88,844.11 | 88,844.11 | |
| Total Home Instruction | <u>92,000.00</u> | <u>12,924.45</u> | <u>104,924.45</u> | <u>104,924.45</u> | <u>-</u> |
| Total Special Education - Instruction | <u>2,813,591.00</u> | <u>72,524.18</u> | <u>2,886,115.18</u> | <u>2,886,115.18</u> | <u>-</u> |
| Basic Skills / Remedial - Instruction: | | | | | |
| Salaries of Teachers | 372,544.00 | (20,246.38) | 352,297.62 | 352,297.62 | |
| Purchased Professional - Educational Services | 15,000.00 | (11,700.00) | 3,300.00 | 3,300.00 | |
| General Supplies | 3,000.00 | (2,999.47) | 0.53 | 0.53 | |
| Total Basic Skills / Remedial - Instruction | <u>390,544.00</u> | <u>(34,945.85)</u> | <u>355,598.15</u> | <u>355,598.15</u> | <u>-</u> |
| Bilingual Education - Instruction: | | | | | |
| Salaries of Teachers | 104,471.00 | (7,787.10) | 96,683.90 | 96,683.90 | |
| General Supplies | 900.00 | (900.00) | | | |
| Textbooks | 500.00 | (165.42) | 334.58 | 334.58 | |
| Total Bilingual Education - Instruction | <u>105,871.00</u> | <u>(8,852.52)</u> | <u>97,018.48</u> | <u>97,018.48</u> | <u>-</u> |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|-------------------------|----------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| School-Sponsored Cocurricular / Extracurricular Activities - Instruction: | | | | | |
| Salaries | \$ 142,709.00 | \$ (14,874.28) | \$ 127,834.72 | \$ 127,834.72 | |
| Supplies and Materials | 46,221.00 | (12,001.25) | 34,219.75 | 34,219.75 | |
| Other Objects | 3,495.00 | (903.95) | 2,591.05 | 2,591.05 | |
| | <u>192,425.00</u> | <u>(27,779.48)</u> | <u>164,645.52</u> | <u>164,645.52</u> | <u>-</u> |
| School-Sponsored Athletics - Instruction: | | | | | |
| Salaries | 450,095.00 | 19,700.89 | 469,795.89 | 469,795.89 | |
| Purchased Services (300-500 Series) | 14,000.00 | (1,905.00) | 12,095.00 | 12,095.00 | |
| Supplies and Materials | 75,060.00 | (3,660.29) | 71,399.71 | 71,399.71 | |
| Other Objects | 112,322.00 | 10,517.97 | 122,839.97 | 122,839.97 | |
| | <u>651,477.00</u> | <u>24,653.57</u> | <u>676,130.57</u> | <u>676,130.57</u> | <u>-</u> |
| Total Instruction | <u>14,777,452.00</u> | <u>275,628.62</u> | <u>15,053,080.62</u> | <u>15,053,080.62</u> | <u>-</u> |
| Undistributed Expenditures - Instruction: | | | | | |
| Tuition to Other LEA's Within the State - Regular | | 38,164.88 | 38,164.88 | 38,164.88 | |
| Tuition to Other LEA's Within the State - Special | 139,497.00 | 30,442.70 | 169,939.70 | 169,939.70 | |
| Tuition to County Vocational School District - Regular | 31,546.00 | 3,053.00 | 34,599.00 | 34,599.00 | |
| Tuition to CSSD and Regional Day Schools | 335,044.00 | 1,162.97 | 336,206.97 | 336,206.97 | |
| Tuition to Private Schools for the Disabled - Within State | 1,730,439.00 | (16,321.43) | 1,714,117.57 | 1,714,117.57 | |
| Tuition to Private Schools for the Disabled and Other LEA's - Special Outside State | | 94,320.00 | 94,320.00 | 94,320.00 | |
| | <u>2,236,526.00</u> | <u>150,822.12</u> | <u>2,387,348.12</u> | <u>2,387,348.12</u> | <u>-</u> |
| Total Undistributed Expenditures - Instruction | <u>2,236,526.00</u> | <u>150,822.12</u> | <u>2,387,348.12</u> | <u>2,387,348.12</u> | <u>-</u> |
| Undistributed Expenditures - Attendance and Social Work: | | | | | |
| Salaries | 88,133.00 | 34,196.01 | 122,329.01 | 122,329.01 | |
| Total Undistributed Expenditures - Attendance and Social Work | <u>88,133.00</u> | <u>34,196.01</u> | <u>122,329.01</u> | <u>122,329.01</u> | <u>-</u> |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|---|-------------------------|---------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Undistributed Expenditures - Health Services: | | | | | |
| Salaries | \$ 402,265.00 | \$ 25,384.59 | \$ 427,649.59 | \$ 427,649.59 | |
| Other Purchased Services (400-500 Series) | 21,500.00 | (3,120.00) | 18,380.00 | 18,380.00 | |
| Supplies and Materials | 5,000.00 | 1,419.98 | 6,419.98 | 6,419.98 | |
| Menstrual Products | | 3,225.04 | 3,225.04 | 3,225.04 | |
| Other Objects | 900.00 | (900.00) | | | |
| Total Undistributed Expenditures - Health Services | 429,665.00 | 26,009.61 | 455,674.61 | 455,674.61 | - |
| Undistributed Expenditures - Speech, OT, PT and Related Services: | | | | | |
| Salaries | 853,301.00 | (39,562.01) | 813,738.99 | 813,738.99 | |
| Purchased Professional - Educational Services | 752,420.00 | (94,142.40) | 658,277.60 | 658,277.60 | |
| Total Undistributed Expenditures - Other Support Services - Students - Related Services | 1,605,721.00 | (133,704.41) | 1,472,016.59 | 1,472,016.59 | - |
| Undistributed Expenditures - Other Support Services - Students - Extraordinary Services: | | | | | |
| Purchased Professional - Educational Services | 479,061.00 | (145,185.25) | 333,875.75 | 333,875.75 | |
| Total Undistributed Expenditures - Other Support Services - Students - Extraordinary Services | 479,061.00 | (145,185.25) | 333,875.75 | 333,875.75 | - |
| Undistributed Expenditures - Guidance: | | | | | |
| Students - Regular: | | | | | |
| Salaries of Other Professional Staff | 545,130.00 | 23,364.30 | 568,494.30 | 568,494.30 | |
| Salaries of Secretarial and Clerical Assistants | 45,647.00 | 2,859.00 | 48,506.00 | 48,506.00 | |
| Other Purchased Services (400-500 Series) | 6,286.00 | (117.56) | 6,168.44 | 6,168.44 | |
| Supplies and Materials | 5,546.00 | (1,384.43) | 4,161.57 | 4,161.57 | |
| Other Objects | 27,000.00 | (16,250.00) | 10,750.00 | 10,750.00 | |
| Total Undistributed Expenditures - Guidance | 629,609.00 | 8,471.31 | 638,080.31 | 638,080.31 | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|-------------------------|-------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Undistributed Expenditures - Child Study Team: | | | | | |
| Salaries of Other Professional Staff | \$ 783,547.00 | \$ (9,138.10) | \$ 774,408.90 | \$ 774,408.90 | |
| Salaries of Secretarial and Clerical Assistants | 102,145.00 | 833.20 | 102,978.20 | 102,978.20 | |
| Purchased Professional - Educational Services | 20,405.00 | (13,368.21) | 7,036.79 | 7,036.79 | |
| Other Purchased Services (400-500 Series) | 15,500.00 | 1,296.69 | 16,796.69 | 16,796.69 | |
| Supplies and Materials | 7,200.00 | 2,128.71 | 9,328.71 | 9,328.71 | |
| Total Undistributed Expenditures - Child Study Team | 928,797.00 | (18,247.71) | 910,549.29 | 910,549.29 | - |
| Undistributed Expenditures - Improvement of Instruction Services: | | | | | |
| Salaries of Supervisors of Instruction | 118,080.00 | | 118,080.00 | 118,080.00 | |
| Salaries of Other Professional Staff | 24,205.00 | (15,390.33) | 8,814.67 | 8,814.67 | |
| Salaries of Secretarial and Clerical Assistants | 47,772.00 | (8,594.39) | 39,177.61 | 39,177.61 | |
| Other Purchased Services (400-500 Series) | | 1,184.00 | 1,184.00 | 1,184.00 | |
| Other Objects | 3,000.00 | (500.00) | 2,500.00 | 2,500.00 | |
| Total Undistributed Expenditures - Improvement of Instruction Services | 193,057.00 | (23,300.72) | 169,756.28 | 169,756.28 | - |
| Undistributed Expenditures - Educational Media Services / School Library: | | | | | |
| Salaries | 226,084.00 | (6,124.91) | 219,959.09 | 219,959.09 | |
| Other Purchased Services (400-500 Series) | 231,810.00 | (43,021.93) | 188,788.07 | 188,788.07 | |
| Supplies and Materials | 16,079.00 | (6,872.43) | 9,206.57 | 9,206.57 | |
| Other Objects | 350.00 | (350.00) | | | |
| Total Undistributed Expenditures - Educational Media Services / School Library | 474,323.00 | (56,369.27) | 417,953.73 | 417,953.73 | - |
| Undistributed Expenditures - Instructional Staff Training Services: | | | | | |
| Salaries of Supervisors of Instruction | 29,520.00 | | 29,520.00 | 29,520.00 | |
| Salaries of Other Professional Staff | 5,150.00 | (4,453.33) | 696.67 | 696.67 | |
| Salaries of Secretarial and Clerical Assistants | 11,636.00 | (2,107.42) | 9,528.58 | 9,528.58 | |
| Purchased Professional - Educational Services | 6,000.00 | (6,000.00) | | | |
| Other Purchased Services (400-500 Series) | | 1,767.95 | 1,767.95 | 1,767.95 | |
| Supplies and Materials | 200.00 | 1,977.71 | 2,177.71 | 2,177.71 | |
| Other Objects | 1,000.00 | 100.00 | 1,100.00 | 1,100.00 | |
| Total Undistributed Expenditures - Instructional Staff Training Services | 53,506.00 | (8,715.09) | 44,790.91 | 44,790.91 | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|-------------------------|---------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Undistributed Expenditures - Support Services - General Administration: | | | | | |
| Salaries | \$ 274,732.00 | \$ (288.00) | \$ 274,444.00 | \$ 274,444.00 | |
| Legal Services | 39,082.00 | (13,966.47) | 25,115.53 | 25,115.00 | \$ 0.53 |
| Audit Fees | 79,900.00 | 10,000.00 | 89,900.00 | 80,910.00 | 8,990.00 |
| Architectural / Engineering Services | 63,154.00 | (63,154.00) | | | |
| Other Purchased Professional Services | 1,024.00 | (1,024.00) | | | |
| Communications / Telephone | 34,069.00 | (19,168.01) | 14,900.99 | 14,900.99 | |
| BOE Other Purchased Services | 6,392.00 | (6,392.00) | | | |
| Miscellaneous Purchased Services (400-500) | 127,765.00 | (7,620.62) | 120,144.38 | 120,144.38 | |
| General Supplies | 4,506.00 | (1,006.00) | 3,500.00 | 3,500.00 | |
| BOE In-House Training / Meeting Supplies | 2,744.00 | (44.00) | 2,700.00 | 2,700.00 | |
| Miscellaneous Expenditures | 7,692.00 | 4,830.28 | 12,522.28 | 12,522.28 | |
| BOE Membership Dues and Fees | 15,072.00 | (378.98) | 14,693.02 | 14,693.02 | |
| Total Undistributed Expenditures - Support Services - General Administration | 656,132.00 | (98,211.80) | 557,920.20 | 548,929.67 | 8,990.53 |
| Undistributed Expenditures - Support Services - School Administration: | | | | | |
| Salaries of Principals / Assistant Principals / Program Directors | 1,146,376.00 | (19,999.00) | 1,126,377.00 | 1,126,377.00 | |
| Salaries of Other Professional Staff | 146,445.00 | (530.40) | 145,914.60 | 145,914.60 | |
| Salaries of Secretarial and Clerical Assistants | 415,524.00 | 46,573.20 | 462,097.20 | 462,097.20 | |
| Other Purchased Services (400-500 Series) | 18,271.00 | 16,483.89 | 34,754.89 | 34,754.89 | |
| Travel - All Other | | 1,308.00 | 1,308.00 | 1,308.00 | |
| Supplies and Materials | 22,734.00 | (5,192.07) | 17,541.93 | 17,541.93 | |
| Other Objects | 14,850.00 | (3,929.52) | 10,920.48 | 10,920.48 | |
| Total Undistributed Expenditures - Support Services - School Administration | 1,764,200.00 | 34,714.10 | 1,798,914.10 | 1,798,914.10 | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|---|-------------------------|-------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Undistributed Expenditures - Central Services: | | | | | |
| Salaries | \$ 477,185.00 | \$ (12,281.86) | \$ 464,903.14 | \$ 464,903.14 | |
| Purchased Technical Services | 51,191.00 | (19.35) | 51,171.65 | 51,171.65 | |
| Miscellaneous Purchased Services (400-500 Series) | 4,557.00 | (220.10) | 4,336.90 | 4,336.90 | |
| Supplies and Materials | 6,602.00 | 1,460.51 | 8,062.51 | 8,062.51 | |
| Miscellaneous Expenditures | 2,845.00 | 1,619.41 | 4,464.41 | 4,464.41 | |
| Total Undistributed Expenditures - Central Services | 542,380.00 | (9,441.39) | 532,938.61 | 532,938.61 | - |
| Undistributed Expenditures - Administration Information | | | | | |
| Technology: | | | | | |
| Salaries | 270,789.00 | (6,161.00) | 264,628.00 | 264,628.00 | |
| Purchased Technical Services | 14,500.00 | 1,797.38 | 16,297.38 | 16,297.38 | |
| Other Purchased Services (400-500 Series) | 6,492.00 | (908.00) | 5,584.00 | 5,584.00 | |
| Total Undistributed Expenditures - Administration Information Technology | 291,781.00 | (5,271.62) | 286,509.38 | 286,509.38 | - |
| Undistributed Expenditures - Required Maintenance for School | | | | | |
| Facilities: | | | | | |
| Salaries | 270,940.00 | 40,251.93 | 311,191.93 | 311,191.93 | |
| Cleaning, Repair, and Maintenance Services | 203,640.00 | (9,205.61) | 194,434.39 | 164,985.49 | \$ 29,448.90 |
| Lead Testing of Drinking Water | 653.14 | (653.14) | | | |
| General Supplies | 94,680.00 | (33,381.56) | 61,298.44 | 61,046.14 | 252.30 |
| Other Objects | 13,300.00 | (6,784.00) | 6,516.00 | 6,516.00 | |
| Total Undistributed Expenditures - Required Maintenance for School Facilities | 583,213.14 | (9,772.38) | 573,440.76 | 543,739.56 | 29,701.20 |
| Undistributed Expenditures - Custodial Services: | | | | | |
| Salaries | 1,225,328.00 | (51,589.00) | 1,173,739.00 | 1,173,739.00 | |
| Salaries of Non-Instructional Aides | 178,396.00 | 32,888.14 | 211,284.14 | 211,284.14 | |
| Cleaning, Repair, and Maintenance Services | 74,770.00 | (24,737.34) | 50,032.66 | 49,371.86 | 660.80 |
| Other Purchased Property Services | 49,088.00 | 12,905.63 | 61,993.63 | 61,993.63 | |
| Insurance | 113,332.00 | 26.00 | 113,358.00 | 113,358.00 | |
| Miscellaneous Purchased Services | 46,494.00 | 8,464.63 | 54,958.63 | 54,958.63 | |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | Original <u>Budget</u> | Budget Modifications / <u>Transfers</u> | Final <u>Budget</u> | <u>Actual</u> | Variance <u>Final to Actual</u> |
|---|---------------------------|---|------------------------|---------------------|------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Undistributed Expenditures - Custodial Services (Cont'd): | | | | | |
| General Supplies | \$ 91,543.00 | \$ (28,223.54) | \$ 63,319.46 | \$ 63,319.46 | |
| Energy (Natural Gas) | 153,690.00 | (1,260.95) | 152,429.05 | 152,429.05 | |
| Energy (Electricity) | 528,808.00 | 59,192.65 | 588,000.65 | 588,000.65 | |
| Other Objects | 7,700.00 | (6,160.00) | 1,540.00 | 1,540.00 | |
| Total Undistributed Expenditures - Custodial Services | 2,469,149.00 | 1,506.22 | 2,470,655.22 | 2,469,994.42 | \$ 660.80 |
| Undistributed Expenditures - Care and Upkeep of Grounds: | | | | | |
| Salaries | 146,837.00 | (43,585.06) | 103,251.94 | 103,251.94 | |
| Cleaning, Repair, and Maintenance Services | 32,000.00 | (5,317.72) | 26,682.28 | 21,627.03 | 5,055.25 |
| General Supplies | 76,784.00 | (40,319.39) | 36,464.61 | 36,464.61 | |
| Total Undistributed Expenditures - Care and Upkeep of Grounds | 255,621.00 | (89,222.17) | 166,398.83 | 161,343.58 | 5,055.25 |
| Undistributed Expenditures - Security: | | | | | |
| Salaries | 48,079.00 | 3,733.52 | 51,812.52 | 51,812.52 | |
| Total Undistributed Expenditures - Security | 48,079.00 | 3,733.52 | 51,812.52 | 51,812.52 | - |
| Total Undistributed Expenditures - Operation and Maintenance of Plant Services | | | | | |
| | 3,356,062.14 | (93,754.81) | 3,262,307.33 | 3,226,890.08 | 35,417.25 |
| Undistributed Expenditures - Student Transportation Services: | | | | | |
| Salaries of Non-Instructional Aides | 164,954.00 | (18,405.63) | 146,548.37 | 146,548.37 | |
| Salaries for Pupil Transportation (Between Home and School) - Regular | 273,656.00 | 23,868.43 | 297,524.43 | 297,524.43 | |
| Salaries for Pupil Transportation (Between Home and School) - Special Education | 283,987.00 | (58,169.01) | 225,817.99 | 225,817.99 | |
| Salaries for Pupil Transportation (Other than Between Home and School) | 30,000.00 | 39,384.74 | 69,384.74 | 69,384.74 | |
| Cleaning, Repair and Maintenance Services | 32,059.00 | (31,123.98) | 935.02 | 935.02 | |
| Miscellaneous Purchased Services - Transportation | 33,561.00 | 708.27 | 34,269.27 | 34,269.27 | |
| Contracted Services (Between Home and School) - Vendors | | 14,000.00 | 14,000.00 | 14,000.00 | |
| Contracted Services (Special Education Students) - ESCs and CTSA's | 393,012.00 | 331,775.95 | 724,787.95 | 724,787.95 | |
| Contracted Services - Aid in Lieu Payments - Non-Public School | 52,425.00 | 18,195.00 | 70,620.00 | 70,620.00 | |
| General Supplies | 500.00 | (500.00) | | | |
| Transportation Supplies | 66,400.00 | 37,087.79 | 103,487.79 | 103,487.79 | |
| Total Undistributed Expenditures - Student Transportation Services | 1,330,554.00 | 356,821.56 | 1,687,375.56 | 1,687,375.56 | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|---|-------------------------|----------------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Current Expense (Cont'd): | | | | | |
| Unallocated Benefits - Employee Benefits: | | | | | |
| Social Security Contributions | \$ 529,973.00 | \$ 85,924.78 | \$ 615,897.78 | \$ 615,897.78 | |
| Other Retirement Contributions - PERS | 593,282.00 | 22,356.45 | 615,638.45 | 615,638.45 | |
| Workmen's Compensation | 258,573.00 | 56.00 | 258,629.00 | 258,629.00 | |
| Health Benefits | 6,315,165.00 | (290,642.82) | 6,024,522.18 | 6,024,522.18 | |
| Tuition Reimbursements | 50,000.00 | 3,259.19 | 53,259.19 | 53,259.19 | |
| Other Employee Benefits | 516,887.00 | 43,478.53 | 560,365.53 | 560,365.53 | |
| Total Unallocated Benefits - Employee Benefits | 8,263,880.00 | (135,567.87) | 8,128,312.13 | 8,128,312.13 | - |
| On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted) | | | | 5,532,489.00 | \$ (5,532,489.00) |
| On-Behalf T.P.A.F. Pension Contributions - Non-Contributory Insurance (non-budgeted) | | | | 68,533.00 | (68,533.00) |
| On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted) | | | | 1,636,623.00 | (1,636,623.00) |
| On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted) | | | | 2,676.00 | (2,676.00) |
| Reimbursed T.P.A.F. Social Security Contributions (non-budgeted) | | | | 1,135,351.58 | (1,135,351.58) |
| Total On-behalf Contributions | - | - | - | 8,375,672.58 | (8,375,672.58) |
| Total Personal Services - Employee Benefits | 8,263,880.00 | (135,567.87) | 8,128,312.13 | 16,503,984.71 | (8,375,672.58) |
| Total Undistributed Expenditures | 23,323,387.14 | (116,735.23) | 23,206,651.91 | 31,537,916.71 | (8,331,264.80) |
| Total General Current Expense | 38,100,839.14 | 158,893.39 | 38,259,732.53 | 46,590,997.33 | (8,331,264.80) |
| Capital Outlay: | | | | | |
| Equipment: | | | | | |
| Undistributed Expenditures: | | | | | |
| Administrative Information Technology | 135,000.00 | (59,458.14) | 75,541.86 | 4,033.22 | 71,508.64 |
| School Buses - Regular | 93,108.00 | (28,640.00) | 64,468.00 | 35,992.00 | 28,476.00 |
| School Buses - Special | 28,476.00 | 28,640.00 | 57,116.00 | 28,640.00 | 28,476.00 |
| Total Equipment | 256,584.00 | (59,458.14) | 197,125.86 | 68,665.22 | 128,460.64 |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|-------------------------|---------------|-------------------------------------|
| EXPENDITURES (CONT'D): | | | | | |
| Capital Outlay (Cont'd): | | | | | |
| Facilities Acquisition and Construction Services: | | | | | |
| Construction Services | \$ 2,500.00 | | \$ 2,500.00 | \$ 2,500.00 | |
| Assessment for Debt Service on SDA Funding | 53,700.00 | | 53,700.00 | 53,700.00 | |
| Total Facilities Acquisition and Construction Services | 56,200.00 | - | 56,200.00 | 56,200.00 | - |
| Total Capital Outlay | 312,784.00 | \$ (59,458.14) | 253,325.86 | 124,865.22 | \$ 128,460.64 |
| Special Schools: | | | | | |
| Summer School - Instruction: | | | | | |
| Salaries of Teachers | 52,215.00 | (25,694.60) | 26,520.40 | 26,520.40 | |
| Other Salaries for Instruction | | 33,332.35 | 33,332.35 | 33,332.35 | |
| Other Purchased Services (400-500 Series) | 5,000.00 | (5,000.00) | | | |
| General Supplies | 500.00 | (500.00) | | | |
| Total Summer School - Instruction | 57,715.00 | 2,137.75 | 59,852.75 | 59,852.75 | - |
| Summer School - Support Services: | | | | | |
| Salaries | 3,000.00 | (3,000.00) | | | |
| Total Summer School - Support Services | 3,000.00 | (3,000.00) | - | - | - |
| Total Summer School | 60,715.00 | (862.25) | 59,852.75 | 59,852.75 | - |
| Total Special Schools | 60,715.00 | (862.25) | 59,852.75 | 59,852.75 | - |
| Transfer of Funds to Charter Schools | 59,845.00 | 16,172.00 | 76,017.00 | 76,017.00 | - |
| Total Expenditures | 38,534,183.14 | 114,745.00 | 38,648,928.14 | 46,851,732.30 | (8,202,804.16) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (913,599.14) | (114,745.00) | (1,028,344.14) | (596,742.67) | 431,601.47 |
| Other Financing Sources (Uses): | | | | | |
| Equity Transfer - Kindergarten Care Fund | | | | 289,589.58 | 289,589.58 |
| Total Other Financing Sources (Uses) | - | - | - | 289,589.58 | 289,589.58 |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|--------------------------|------------------------|-------------------------------------|
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses | \$ (913,599.14) | \$ (114,745.00) | \$ (1,028,344.14) | \$ (307,153.09) | \$ 721,191.05 |
| Fund Balances, July 1 | - | - | - | 2,110,853.20 | 2,110,853.20 |
| Fund Balances, June 30 | <u>\$ (913,599.14)</u> | <u>\$ (114,745.00)</u> | <u>\$ (1,028,344.14)</u> | <u>\$ 1,803,700.11</u> | <u>\$ 2,832,044.25</u> |
| Recapitulation: | | | | | |
| Restricted: | | | | | |
| Capital Reserve: | | | | | |
| Capital Reserve | | | | \$ 337,337.66 | |
| Current Expense Emergency Reserve | | | | 23,991.62 | |
| Maintenance Reserve | | | | 195.96 | |
| Unemployment Compensation | | | | 578,533.28 | |
| Assigned: | | | | | |
| Year-End Encumbrances | | | | 30,362.00 | |
| Designated for Subsequent Year's Expenditures | | | | 155,677.00 | |
| Unassigned | | | | <u>677,602.59</u> | |
| | | | | 1,803,700.11 | |
| Reconciliation to Governmental Funds Statements (GAAP): | | | | | |
| Fiscal Year 2025 Last State Aid Payments not Recognized on GAAP Basis | | | | <u>(878,205.00)</u> | |
| Fund Balance per Governmental Funds (GAAP) | | | | <u>\$ 925,495.11</u> | |

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2025

| | Original <u>Budget</u> | Budget Transfers / <u>Modifications</u> | Final <u>Budget</u> | <u>Actual</u> | Variance <u>Final to Actual</u> |
|--|---------------------------|---|------------------------|---------------------|------------------------------------|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Revenue from Local Sources | \$ 298,019.00 | | \$ 298,019.00 | \$ 557,960.78 | \$ 259,941.78 |
| Total - Local Sources | 298,019.00 | - | 298,019.00 | 557,960.78 | 259,941.78 |
| Federal Sources: | | | | | |
| Title I, Part A | 318,117.36 | | 318,117.36 | 278,865.78 | (39,251.58) |
| Title II, Part A | 90,045.00 | | 90,045.00 | 88,542.33 | (1,502.67) |
| Title III, Part A, Immigrant | 1,549.00 | | 1,549.00 | | (1,549.00) |
| Title IV, Part A | 33,944.00 | | 33,944.00 | 22,413.00 | (11,531.00) |
| I.D.E.A. Part B, Basic | 811,789.00 | | 811,789.00 | 706,626.42 | (105,162.58) |
| I.D.E.A. Part B, Preschool | 19,718.00 | | 19,718.00 | 19,718.00 | |
| Total - Federal Sources | 1,275,162.36 | - | 1,275,162.36 | 1,116,165.53 | (158,996.83) |
| State Sources: | | | | | |
| Nonpublic Textbooks | 53,032.00 | | 53,032.00 | 52,574.51 | (457.49) |
| Nonpublic Auxiliary Services | 48,984.00 | | 48,984.00 | 45,084.00 | (3,900.00) |
| Nonpublic Handicapped Services | 166,331.00 | | 166,331.00 | 121,643.49 | (44,687.51) |
| Nonpublic Nursing Services | 135,980.00 | | 135,980.00 | 130,803.93 | (5,176.07) |
| Nonpublic Technology Initiative | 50,813.00 | | 50,813.00 | 49,504.77 | (1,308.23) |
| Nonpublic Security Aid | 214,430.00 | | 214,430.00 | 214,386.11 | (43.89) |
| Total - State Sources | 669,570.00 | - | 669,570.00 | 613,996.81 | (55,573.19) |
| Total Revenues | 2,242,751.36 | - | 2,242,751.36 | 2,288,123.12 | 45,371.76 |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of Teachers | 204,700.48 | \$ 1,977.38 | 206,677.86 | 206,677.86 | |
| Purchased Professional and Technical Services | 19,718.00 | | 19,718.00 | 19,718.00 | |
| Other Purchased Services (400-500 series) | 527,920.00 | | 527,920.00 | 527,920.00 | |
| Instructional Supplies | 343,244.60 | | 343,244.60 | 331,326.26 | 11,918.34 |
| Total Instruction | 1,095,583.08 | 1,977.38 | 1,097,560.46 | 1,085,642.12 | 11,918.34 |
| Support Services: | | | | | |
| Salaries | 332,704.00 | (160,830.00) | 171,874.00 | 127,800.03 | 44,073.97 |
| Employee Benefits | 198,854.28 | (1,203.38) | 197,650.90 | 101,844.14 | 95,806.76 |
| Purchased Professional and Technical Services | 15,975.00 | | 15,975.00 | 13,058.26 | 2,916.74 |
| Purchased Professional - Educational Services | | 160,056.00 | 160,056.00 | 160,056.00 | |
| Other Purchased Services (400-500 series) | 76,915.00 | | 76,915.00 | 74,934.30 | 1,980.70 |
| Supplies and Materials | 9,386.00 | | 9,386.00 | 100.00 | 9,286.00 |
| Student Activities | 298,019.00 | | 298,019.00 | 555,506.77 | (257,487.77) |
| Other Objects | 215,315.00 | | 215,315.00 | 166,727.49 | 48,587.51 |
| Total Support Services | 1,147,168.28 | (1,977.38) | 1,145,190.90 | 1,200,026.99 | (54,836.09) |
| Total Expenditures | 2,242,751.36 | - | 2,242,751.36 | 2,285,669.11 | (42,917.75) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | 2,454.01 | \$ 2,454.01 |
| Fund Balance, July 1 | | | | 247,164.46 | |
| Fund Balance, June 30 | | | | \$ 249,618.47 | |
| Recapitulation: | | | | | |
| Restricted: | | | | | |
| Student Activities | | | | \$ 249,618.47 | |

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 Note to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2025

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

| | <u>General Fund</u> | <u>Special Revenue Fund</u> |
|---|-------------------------|-------------------------------------|
| Sources / Inflows of Resources: | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series) | \$ 46,254,989.63 | \$ 2,288,123.12 |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | (3,334.00) |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes, and State aid payment recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year. | 90,377.00 | |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2) | \$ 46,345,366.63 | \$ 2,284,789.12 |
| Uses / Outflows of Resources: | | |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule (C-series) | \$ 46,851,732.30 | \$ 2,285,669.11 |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes. | | (3,334.00) |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2) | \$ 46,851,732.30 | \$ 2,282,335.11 |

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

**SCHEDULES RELATED TO ACCOUNTING
AND REPORTING FOR PENSIONS**

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Ten Plan Years

| | <u>Measurement Date Ended June 30,</u> | | | | |
|---|--|-----------------|-----------------|-----------------|-----------------|
| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
| School District's Proportion of the Net Pension Liability | 0.0385117305% | 0.0385740730% | 0.0388627547% | 0.0403897572% | 0.0416477153% |
| School District's Proportionate Share of the Net Pension Liability | \$ 5,232,992.00 | \$ 5,587,213.00 | \$ 5,864,925.00 | \$ 4,784,772.00 | \$ 6,791,653.00 |
| School District's Covered Payroll (Plan Measurement Period) | \$ 3,081,020.00 | \$ 3,063,632.00 | \$ 2,854,572.00 | \$ 3,074,424.00 | \$ 3,104,620.00 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 169.85% | 182.37% | 205.46% | 155.63% | 218.76% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 68.22% | 65.23% | 62.91% | 70.33% | 58.32% |

| | <u>Measurement Date Ended June 30,</u> | | | | |
|---|--|-----------------|------------------|------------------|------------------|
| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
| School District's Proportion of the Net Pension Liability | 0.0449174009% | 0.0458908809% | 0.0459547846% | 0.0491820154% | 0.0466823489% |
| School District's Proportionate Share of the Net Pension Liability | \$ 8,093,434.00 | \$ 9,035,686.00 | \$ 10,697,539.00 | \$ 14,566,302.00 | \$ 10,479,252.00 |
| School District's Covered Payroll (Plan Measurement Period) | \$ 3,291,936.00 | \$ 3,381,472.00 | \$ 3,336,880.00 | \$ 3,620,492.00 | \$ 3,464,144.00 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 245.86% | 267.21% | 320.59% | 402.33% | 302.51% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 56.27% | 53.60% | 48.10% | 40.14% | 47.93% |

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Ten Fiscal Years

| | <u>Fiscal Year Ended June 30,</u> | | | | |
|---|-----------------------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> |
| Contractually Required Contribution | \$ 561,542.00 | \$ 524,037.00 | \$ 515,553.00 | \$ 490,078.00 | \$ 473,011.00 |
| Contributions in relation to the Contractually Required Contribution | <u>(561,542.00)</u> | <u>(524,037.00)</u> | <u>(515,553.00)</u> | <u>(490,078.00)</u> | <u>(473,011.00)</u> |
| Contribution Deficiency (Excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| School District's Covered Payroll (Fiscal Year) | \$ 3,235,788.00 | \$ 3,275,571.00 | \$ 2,945,862.00 | \$ 2,898,653.00 | \$ 2,760,590.00 |
| Contributions as a Percentage of School District's Covered Payroll | 17.35% | 16.00% | 17.50% | 16.91% | 17.13% |

| | <u>Fiscal Year Ended June 30,</u> | | | | |
|---|-----------------------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Contractually Required Contribution | \$ 455,606.00 | \$ 436,914.00 | \$ 456,466.00 | \$ 425,722.00 | \$ 436,926.00 |
| Contributions in relation to the Contractually Required Contribution | <u>(455,606.00)</u> | <u>(436,914.00)</u> | <u>(456,466.00)</u> | <u>(425,722.00)</u> | <u>(436,926.00)</u> |
| Contribution Deficiency (Excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| School District's Covered Payroll (Fiscal Year) | \$ 2,889,350.00 | \$ 3,032,544.00 | \$ 3,056,040.00 | \$ 3,197,295.00 | \$ 3,083,552.00 |
| Contributions as a Percentage of School District's Covered Payroll | 15.77% | 14.41% | 14.94% | 13.32% | 14.17% |

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Ten Plan Years

| | <u>Measurement Date Ended June 30,</u> | | | | |
|---|--|-------------------------|-------------------------|--------------------------|-------------------------|
| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
| School District's Proportion of the Net Pension Liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| State's Proportion of the Net Pension Liability associated with the School District | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |
| | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |
| School District's Proportionate Share of the Net Pension Liability | - | - | - | - | - |
| State's Proportionate Share of the Net Pension Liability associated with the School District | <u>\$ 65,255,827.00</u> | <u>\$ 66,106,558.00</u> | <u>\$ 67,612,139.00</u> | <u>\$ 65,222,546.00</u> | <u>\$ 88,073,230.00</u> |
| | <u>\$ 65,255,827.00</u> | <u>\$ 66,106,558.00</u> | <u>\$ 67,612,139.00</u> | <u>\$ 65,222,546.00</u> | <u>\$ 88,073,230.00</u> |
| School District's Covered Payroll (Plan Measurement Period) | \$ 19,033,392.00 | \$ 18,044,120.00 | \$ 17,106,596.00 | \$ 17,218,484.00 | \$ 17,492,832.00 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| State's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 342.85% | 366.36% | 395.24% | 378.79% | 503.48% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 37.99% | 34.68% | 32.29% | 35.52% | 24.60% |
| | <u>Measurement Date Ended June 30,</u> | | | | |
| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
| School District's Proportion of the Net Pension Liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| State's Proportion of the Net Pension Liability associated with the School District | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |
| | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |
| School District's Proportionate Share of the Net Pension Liability | - | - | - | - | - |
| State's Proportionate Share of the Net Pension Liability associated with the School District | <u>\$ 82,415,868.00</u> | <u>\$ 83,079,420.00</u> | <u>\$ 88,247,965.00</u> | <u>\$ 105,796,906.00</u> | <u>\$ 83,753,784.00</u> |
| | <u>\$ 82,415,868.00</u> | <u>\$ 83,079,420.00</u> | <u>\$ 88,247,965.00</u> | <u>\$ 105,796,906.00</u> | <u>\$ 83,753,784.00</u> |
| School District's Covered Payroll (Plan Measurement Period) | \$ 16,922,268.00 | \$ 16,415,696.00 | \$ 16,009,700.00 | \$ 15,699,316.00 | \$ 15,777,360.00 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| State's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 487.03% | 506.10% | 551.22% | 673.90% | 530.85% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 26.95% | 26.49% | 25.41% | 22.33% | 28.71% |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable. The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Notes to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2025

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms:

Chapter 121, P.L. 2023 permits teachers, as well as professional staff members who provide special services, who have retired from TPAF to return to employment for up to two years without reenrollment in the TPAF if employment commences during the 2023-2024 school year.

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> |
|-------------|-------------|-------------|-------------|
| 2024 | 7.00% | 2019 | 5.60% |
| 2023 | 7.00% | 2018 | 4.86% |
| 2022 | 7.00% | 2017 | 4.25% |
| 2021 | 7.00% | 2016 | 3.22% |
| 2020 | 5.40% | 2015 | 4.13% |

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> |
|-------------|-------------|-------------|-------------|
| 2024 | 7.00% | 2019 | 7.00% |
| 2023 | 7.00% | 2018 | 7.00% |
| 2022 | 7.00% | 2017 | 7.00% |
| 2021 | 7.00% | 2016 | 7.65% |
| 2020 | 7.00% | 2015 | 7.90% |

Public Employees' Retirement System (PERS)

Changes in Benefit Terms:

Chapter 249, P.L. 2023 extends provisions of Chapter 498, P.L. 2021 for calendar years 2023 or 2024 to allow for a temporary return to employment by a former employee of the Legislature after retirement from PERS.

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> |
|-------------|-------------|-------------|-------------|
| 2024 | 7.00% | 2019 | 6.28% |
| 2023 | 7.00% | 2018 | 5.66% |
| 2022 | 7.00% | 2017 | 5.00% |
| 2021 | 7.00% | 2016 | 3.98% |
| 2020 | 7.00% | 2015 | 4.90% |

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> |
|-------------|-------------|-------------|-------------|
| 2024 | 7.00% | 2019 | 7.00% |
| 2023 | 7.00% | 2018 | 7.00% |
| 2022 | 7.00% | 2017 | 7.00% |
| 2021 | 7.00% | 2016 | 7.65% |
| 2020 | 7.00% | 2015 | 7.90% |

**REQUIRED SUPPLEMENTARY INFORMATION
PART IV**

**SCHEDULE RELATED TO ACCOUNTING
AND REPORTING FOR POSTEMPLOYMENT BENEFITS**

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Required Supplementary Information - Part IV
 Schedule of Changes in the School District's
 Total OPEB Liability and Related Ratios
 Last Eight Plan Years

| | <u>Measurement Date Ended June 30,</u> | | | |
|---|--|-------------------------|-------------------------|-------------------------|
| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> |
| Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District | | | | |
| Changes for the Year: | | | | |
| Service Cost | \$ 2,724,587.00 | \$ 2,699,631.00 | \$ 3,518,329.00 | \$ 4,299,972.00 |
| Interest Cost | 3,021,288.00 | 2,820,642.00 | 2,035,974.00 | 2,329,415.00 |
| Changes in Benefit Terms | | | | (95,577.00) |
| Difference Between Expected and Actual Experience | 1,310,042.00 | (292,109.00) | 4,036,517.00 | (17,661,964.00) |
| Changes in Assumptions | 6,866,610.00 | 161,427.00 | (20,609,269.00) | 88,591.00 |
| Member Contributions | 79,008.00 | 72,283.00 | 64,697.00 | 59,552.00 |
| Gross Benefit Payments | <u>(2,307,407.00)</u> | <u>(2,198,737.00)</u> | <u>(2,016,693.00)</u> | <u>(1,834,926.00)</u> |
| Net Change in Total Non-Employer OPEB Liability | 11,694,128.00 | 3,263,137.00 | (12,970,445.00) | (12,814,937.00) |
| Total Non-Employer OPEB Liability - July 1 | <u>80,089,156.00</u> | <u>76,826,019.00</u> | <u>89,796,464.00</u> | <u>102,611,401.00</u> |
| Total Non-Employer OPEB Liability - June 30 | <u>\$ 91,783,284.00</u> | <u>\$ 80,089,156.00</u> | <u>\$ 76,826,019.00</u> | <u>\$ 89,796,464.00</u> |
| School District's Covered Payroll (Plan Measurement Period) | <u>\$ 19,374,217.00</u> | <u>\$ 19,039,679.00</u> | <u>\$ 18,270,437.00</u> | <u>\$ 17,370,429.00</u> |
| State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll | 473.74% | 420.64% | 420.49% | 516.95% |

| | <u>Measurement Date Ended June 30,</u> | | | |
|---|--|-------------------------|-------------------------|-------------------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District | | | | |
| Changes for the Year: | | | | |
| Service Cost | \$ 2,388,684.00 | \$ 2,328,227.00 | \$ 2,624,942.00 | \$ 3,156,106.00 |
| Interest Cost | 2,284,552.00 | 2,851,204.00 | 3,069,665.00 | 2,653,742.00 |
| Changes in Benefit Terms | | | | |
| Difference Between Expected and Actual Experience | 17,183,926.00 | (12,774,873.00) | (7,291,346.00) | |
| Changes in Assumptions | 18,743,577.00 | 950,412.00 | (8,295,254.00) | (10,778,666.00) |
| Member Contributions | 54,145.00 | (1,956,717.00) | (1,932,919.00) | (1,946,655.00) |
| Gross Benefit Payments | <u>(1,786,380.00)</u> | <u>58,003.00</u> | <u>66,805.00</u> | <u>71,681.00</u> |
| Net Change in Total Non-Employer OPEB Liability | 38,868,504.00 | (8,543,744.00) | (11,758,107.00) | (6,843,792.00) |
| Total Non-Employer OPEB Liability - July 1 | <u>63,742,897.00</u> | <u>72,286,641.00</u> | <u>84,044,748.00</u> | <u>90,888,540.00</u> |
| Total Non-Employer OPEB Liability - June 30 | <u>\$ 102,611,401.00</u> | <u>\$ 63,742,897.00</u> | <u>\$ 72,286,641.00</u> | <u>\$ 84,044,748.00</u> |
| School District's Covered Payroll (Plan Measurement Period) | <u>\$ 17,533,866.00</u> | <u>\$ 17,800,790.00</u> | <u>\$ 17,353,601.00</u> | <u>\$ 17,094,301.00</u> |
| State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll | 585.22% | 358.09% | 416.55% | 491.65% |

This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2025

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> |
|-------------|-------------|-------------|-------------|
| 2024 | 3.93% | 2020 | 2.21% |
| 2023 | 3.65% | 2019 | 3.50% |
| 2022 | 3.54% | 2018 | 3.87% |
| 2021 | 2.16% | 2017 | 3.58% |

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included trend update.

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 is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO, the trend 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 is 5.00%.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2025

| | Every Student Succeeds Act (E.S.S.A.) | | | I.D.E.A. Part B | | N.J. Nonpublic Auxiliary Services (Ch. 192, L. 1977) | N.J. Nonpublic Handicapped Services (Ch. 193, L. 1977) | | | Total Carried Forward |
|---|---------------------------------------|---|------------------|-------------------|------------------|--|--|--------------------------------|-------------------|-----------------------|
| | Title I, Part A | Title II, Part A, Improving Teacher Quality | Title IV | Basic | Preschool | Compensatory Education | Supplementary Instruction | Examination and Classification | Corrective Speech | |
| REVENUES: | | | | | | | | | | |
| Federal Sources | \$ 278,865.78 | \$ 88,542.33 | \$ 22,413.00 | \$ 706,626.42 | \$ 19,718.00 | | | | | \$ 1,116,165.53 |
| State Sources | | | | | | \$ 45,084.00 | \$ 79,378.60 | \$ 40,024.89 | \$ 2,240.00 | 166,727.49 |
| Local Sources | | | | | | | | | | |
| Total Revenues | 278,865.78 | 88,542.33 | 22,413.00 | 706,626.42 | 19,718.00 | 45,084.00 | 79,378.60 | 40,024.89 | 2,240.00 | 1,282,893.02 |
| EXPENDITURES: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Salaries of Teachers | 189,352.86 | | | 17,325.00 | | | | | | 206,677.86 |
| Purchased Professional and Technical Services | | | | | 19,718.00 | | | | | 19,718.00 |
| Other Purchased Services (400-500 series) | | | | 527,920.00 | | | | | | 527,920.00 |
| Instructional Supplies | 1,306.13 | | 13,554.74 | | | | | | | 14,860.87 |
| Total Instruction | 190,658.99 | - | 13,554.74 | 545,245.00 | 19,718.00 | - | - | - | - | 769,176.73 |
| Support Services: | | | | | | | | | | |
| Salaries | | 39,930.03 | | | | | | | | 39,930.03 |
| Employee Benefits | 54,628.79 | 3,056.00 | | 1,325.42 | | | | | | 59,010.21 |
| Purchased Professional and Technical Services | | 4,200.00 | 8,858.26 | | | | | | | 13,058.26 |
| Purchased Professional - Educational Services | | | | 160,056.00 | | | | | | 160,056.00 |
| Other Purchased Services (400-500 series) | 33,578.00 | 41,356.30 | | | | | | | | 74,934.30 |
| Supplies and Materials | | | | | | | | | | |
| Student Activities | | | | | | | | | | |
| Other Objects | | | | | | 45,084.00 | 79,378.60 | 40,024.89 | 2,240.00 | 166,727.49 |
| Total Support Services | 88,206.79 | 88,542.33 | 8,858.26 | 161,381.42 | - | 45,084.00 | 79,378.60 | 40,024.89 | 2,240.00 | 513,716.29 |
| Total Expenditures | 278,865.78 | 88,542.33 | 22,413.00 | 706,626.42 | 19,718.00 | 45,084.00 | 79,378.60 | 40,024.89 | 2,240.00 | 1,282,893.02 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - | - | - | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - | - | - | - | - | - | - |
| Fund Balance, June 30 | - | - | - | - | - | - | - | - | - | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2025

| | Total Brought Forward | Nonpublic Nursing Services Aid | Nonpublic Textbook Aid, (Ch. 194, L. 1979) | Nonpublic Technology Aid Program | Nonpublic Security Aid Program | Student Activity Fund | Total |
|--|-----------------------------|---|---|---|---|-----------------------------|---------------------|
| REVENUES: | | | | | | | |
| Federal Sources | \$ 1,116,165.53 | | | | | | \$ 1,116,165.53 |
| State Sources | 166,727.49 | \$ 130,803.93 | \$ 52,574.51 | \$ 49,504.77 | \$ 214,386.11 | | 613,996.81 |
| Local Sources | | | | | | \$ 557,960.78 | 557,960.78 |
| Total Revenues | 1,282,893.02 | 130,803.93 | 52,574.51 | 49,504.77 | 214,386.11 | 557,960.78 | 2,288,123.12 |
| EXPENDITURES: | | | | | | | |
| Instruction: | | | | | | | |
| Salaries of Teachers | 206,677.86 | | | | | | 206,677.86 |
| Purchased Professional and Technical Services | 19,718.00 | | | | | | 19,718.00 |
| Other Purchased Services (400-500 series) | 527,920.00 | | | | | | 527,920.00 |
| Instructional Supplies | 14,860.87 | | 52,574.51 | 49,504.77 | 214,386.11 | | 331,326.26 |
| Total Instruction | 769,176.73 | - | 52,574.51 | 49,504.77 | 214,386.11 | - | 1,085,642.12 |
| Support Services: | | | | | | | |
| Salaries | 39,930.03 | 87,870.00 | | | | | 127,800.03 |
| Employee Benefits | 59,010.21 | 42,833.93 | | | | | 101,844.14 |
| Purchased Professional and Technical Services | 13,058.26 | | | | | | 13,058.26 |
| Purchased Professional - Educational Services | 160,056.00 | | | | | | 160,056.00 |
| Other Purchased Services (400-500 series) | 74,934.30 | | | | | | 74,934.30 |
| Supplies and Materials | | 100.00 | | | | | 100.00 |
| Student Activities | | | | | | 555,506.77 | 555,506.77 |
| Other Objects | 166,727.49 | | | | | | 166,727.49 |
| Total Support Services | 513,716.29 | 130,803.93 | - | - | - | 555,506.77 | 1,200,026.99 |
| Total Expenditures | 1,282,893.02 | 130,803.93 | 52,574.51 | 49,504.77 | 214,386.11 | 555,506.77 | 2,285,669.11 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - | - | 2,454.01 | 2,454.01 |
| Fund Balance, July 1 | - | - | - | - | - | 247,164.46 | 247,164.46 |
| Fund Balance, June 30 | - | - | - | - | - | \$ 249,618.47 | \$ 249,618.47 |

CAPITAL PROJECTS FUND

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2025

| Project Title / Issue | Original Date | Appropriations | Expenditures to Date | | Unexpended Balance June 30, 2025 |
|--|---------------|-------------------------|----------------------|------------------------|-------------------------------------|
| | | | Prior Years | Current Year | |
| Renovation, reconstruction, and improvement of drainage systems, athletic facilities, auditoriums, and various classrooms and restrooms within and around Haddon Township High School, Rohrer Middle School, and Van Sciver, Strawbridge, Jennings, Edison, and Stoy Elementary Schools, including the Paul Gilligan Media Center and Recchino Athletic Facility. Construction of the counseling center located at Rohrer Middle School, along with the replacement of various roofing, flooring, electrical, mechanical, plumbing, and ventilation systems. Various roadway and parking improvements to multiple schools and athletic facilities. | 03/12/24 | \$ 30,584,288.00 | | \$ 7,334,219.48 | \$ 23,250,068.52 |
| Baseball and Softball Field Upgrades | 12/21/23 | 175,000.00 | \$ 169,945.75 | 5,054.25 | |
| | | <u>\$ 30,759,288.00</u> | <u>\$ 169,945.75</u> | <u>\$ 7,339,273.73</u> | <u>\$ 23,250,068.52</u> |
| Recapitulation: | | | | | |
| Restricted for Capital Projects: | | | | | |
| Year-End Encumbrances | | | | | \$ 21,539,222.18 |
| Designated for Subsequent Year's Expenditures | | | | | <u>1,710,846.34</u> |
| | | | | | <u>\$ 23,250,068.52</u> |

TOWNSHIP OF HADDON SCHOOL DISTRICT

Capital Projects Fund

Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis

For the Fiscal Year Ended June 30, 2025

| | |
|---|------------------|
| Revenues: | |
| Local Share - Proceeds from Issuance of School Bonds | \$ 30,584,000.00 |
| Local Share - Premium on School Bonds Issued | 817.77 |
| | 30,584,817.77 |
| Total Revenues | 30,584,817.77 |
| Expenditures: | |
| Legal Services | 57,244.61 |
| Architectural / Engineering Services | 1,397,422.21 |
| Other Purchased Professional and Technical Services | 1,172,967.90 |
| Construction Services | 4,711,639.01 |
| | 7,339,273.73 |
| Total Expenditures | 7,339,273.73 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 23,245,544.04 |
| Fund Balances, July 1 | 5,054.25 |
| Fund Balances, June 30 | \$ 23,250,598.29 |
| Recapitulation: | |
| Restricted for Capital Projects: | |
| Year-End Encumbrances | \$ 21,539,222.18 |
| Designated for Subsequent Year's Expenditures | 1,711,376.11 |
| | \$ 23,250,598.29 |

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Capital Improvement Program
 From Inception and for the Fiscal Year Ended June 30, 2025

| | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised Authorized Cost</u> |
|---|------------------------|-------------------------|-------------------------|--|
| Revenues and Other Financing Sources: | | | | |
| Local Share - Proceeds from Issuance of School Bonds | | \$ 30,584,000.00 | \$ 30,584,000.00 | \$ 30,584,000.00 |
| Local Share - Premium on School Bonds Issued | | 817.77 | 817.77 | 288.00 |
| Total Revenues and Other Financing Sources | - | 30,584,817.77 | 30,584,817.77 | 30,584,288.00 |
| Expenditures and Other Financing Uses: | | | | |
| Legal Services | | 57,244.61 | 57,244.61 | 2,697,629.50 |
| Architectural / Engineering Services | | 1,397,422.21 | 1,397,422.21 | 1,603,286.00 |
| Other Purchased Professional and Technical Services | | 1,167,913.65 | 1,167,913.65 | 1,167,913.65 |
| Construction Services | | 4,711,639.01 | 4,711,639.01 | 25,115,458.85 |
| Total Expenditures and Other Financing Uses | - | 7,334,219.48 | 7,334,219.48 | 30,584,288.00 |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses | - | \$ 23,250,598.29 | \$ 23,250,598.29 | - |

Additional Project Information:

| | |
|----------------------------|------------------|
| Project Number | 24-01 |
| Authorized Date | 03/12/24 |
| Bond Authorization Date | 03/12/24 |
| Bonds Authorized | \$ 30,584,288.00 |
| Bonds Issued | \$ 30,584,000.00 |
| Original Authorized Cost | \$ 30,584,288.00 |
| Additional Authorized Cost | - |
| Revised Authorized Cost | \$ 30,584,288.00 |

Percentage Increase Over Original

| | |
|---------------------------------|----------|
| Authorized Cost | 0.00% |
| Percentage Completion | 23.98% |
| Original Target Completion Date | 06/01/26 |
| Revised Target Completion Date | 06/01/26 |

TOWNSHIP OF HADDON SCHOOL DISTRICT

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis

Baseball and Softball Field Upgrades

From Inception and for the Fiscal Year Ended June 30, 2025

| | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised Authorized Cost</u> |
|---|------------------------|-------------------------|-------------------|--|
| Revenues and Other Financing Sources: | | | | |
| Contributions and Donations from Private Sources | \$ 175,000.00 | | \$ 175,000.00 | \$ 175,000.00 |
| Total Revenues and Other Financing Sources | <u>175,000.00</u> | <u>-</u> | <u>175,000.00</u> | <u>175,000.00</u> |
| Expenditures and Other Financing Uses: | | | | |
| Legal Services | 1,065.03 | | 1,065.03 | 1,065.03 |
| Architectural / Engineering Services | 28,626.47 | | 28,626.47 | 28,626.47 |
| Other Purchased Professional and Technical Services | 57,910.25 | \$ 5,054.25 | 62,964.50 | 62,964.50 |
| Construction Services | 81,650.90 | | 81,650.90 | 81,650.90 |
| Other Objects | 693.10 | | 693.10 | 693.10 |
| Total Expenditures and Other Financing Uses | <u>169,945.75</u> | <u>5,054.25</u> | <u>175,000.00</u> | <u>175,000.00</u> |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses | <u>\$ 5,054.25</u> | <u>\$ (5,054.25)</u> | <u>-</u> | <u>-</u> |
| Additional Project Information: | | | | |
| Project Number | 24-02 | | | |
| Authorized Date | 12/21/23 | | | |
| Bond Authorization Date | n/a | | | |
| Bonds Authorized | n/a | | | |
| Bonds Issued | n/a | | | |
| Original Authorized Cost | \$ 175,000.00 | | | |
| Additional Authorized Cost | - | | | |
| Revised Authorized Cost | \$ 175,000.00 | | | |
| Percentage Increase Over Original Authorized Cost | 0.00% | | | |
| Percentage Completion | 100.00% | | | |
| Original Target Completion Date | 06/30/25 | | | |
| Revised Target Completion Date | 06/30/25 | | | |

PROPRIETARY FUNDS

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Proprietary Funds
 Business-Type Activities - Enterprise Funds
 Combining Statement of Net Position
 June 30, 2025

| | School Age Child Care (SACC) | | | | | | | Total |
|---|------------------------------|--------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------------|-------------------|
| | <u>Food Service</u> | <u>Adult School Fund</u> | <u>Before School Care Fund</u> | <u>After School Care Fund</u> | <u>Summer Recreation Fund</u> | <u>Kindergarten Care Fund</u> | <u>Preschool Extended Day Fund</u> | |
| ASSETS: | | | | | | | | |
| Current Assets: | | | | | | | | |
| Cash and Cash Equivalents | | \$ 147.72 | | \$ 103,876.05 | \$ 306,067.42 | | \$ 92,051.97 | \$ 502,143.16 |
| Interfund Accounts Receivable: | | | | | | | | |
| General Fund | \$ 643.00 | | | | | | | 643.00 |
| Enterprise Fund - Food Service Fund | | | | 97,802.24 | | | | 97,802.24 |
| Enterprise Fund - Before School Care Fund | | | | | 209,688.00 | | | 209,688.00 |
| Intergovernmental Accounts Receivable: | | | | | | | | |
| Federal | 11,167.26 | | | | | | | 11,167.26 |
| State | 767.54 | | | | | | | 767.54 |
| Other Accounts Receivable | 28,997.89 | | | 2,976.00 | | | 425.00 | 32,398.89 |
| Inventory: | | | | | | | | |
| Food | 9,046.92 | | | | | | | 9,046.92 |
| Supplies | 2,500.72 | | | | | | | 2,500.72 |
| Total Current Assets | <u>53,123.33</u> | <u>147.72</u> | <u>-</u> | <u>204,654.29</u> | <u>515,755.42</u> | <u>-</u> | <u>92,476.97</u> | <u>866,157.73</u> |
| Noncurrent Assets: | | | | | | | | |
| Capital Assets | 180,049.16 | | | | | | | 180,049.16 |
| Less: Accumulated Depreciation | (162,629.40) | | | | | | | (162,629.40) |
| Total Capital Assets (Net of Accumulated Depreciation) | <u>17,419.76</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>17,419.76</u> |
| Total Noncurrent Assets | <u>17,419.76</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>17,419.76</u> |
| Total Assets | <u>70,543.09</u> | <u>147.72</u> | <u>-</u> | <u>204,654.29</u> | <u>515,755.42</u> | <u>-</u> | <u>92,476.97</u> | <u>883,577.49</u> |
| LIABILITIES: | | | | | | | | |
| Current Liabilities: | | | | | | | | |
| Accounts Payable: | | | | | | | | |
| Other | | | \$ 2,713.30 | | | | | 2,713.30 |
| Interfund Accounts Payable: | | | | | | | | |
| Enterprise Fund - After School Care Fund | 97,802.24 | | | | | | | 97,802.24 |
| Enterprise Fund - Summer Recreation Fun | | | 209,688.00 | | | | | 209,688.00 |
| Compensated Absences Payable | | | 5,086.07 | 6,804.97 | 970.09 | | 11,040.05 | 23,901.18 |
| Unearned Revenue | 24,176.50 | | | | 314,378.00 | | 5,100.00 | 343,654.50 |
| Total Current Liabilities | <u>121,978.74</u> | <u>-</u> | <u>217,487.37</u> | <u>6,804.97</u> | <u>315,348.09</u> | <u>-</u> | <u>16,140.05</u> | <u>677,759.22</u> |
| Noncurrent Liabilities: | | | | | | | | |
| Compensated Absences Payable | | | 11,867.51 | 15,878.26 | 2,263.53 | | 25,761.80 | 55,771.10 |
| Total Noncurrent Liabilities | <u>-</u> | <u>-</u> | <u>11,867.51</u> | <u>15,878.26</u> | <u>2,263.53</u> | <u>-</u> | <u>25,761.80</u> | <u>55,771.10</u> |
| Total Liabilities | <u>121,978.74</u> | <u>-</u> | <u>229,354.88</u> | <u>22,683.23</u> | <u>317,611.62</u> | <u>-</u> | <u>41,901.85</u> | <u>733,530.32</u> |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Proprietary Funds
 Business-Type Activities - Enterprise Funds
 Combining Statement of Net Position
 June 30, 2025

| | School Age Child Care (SACC) | | | | | | | <u>Total</u> |
|----------------------------------|------------------------------|--------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------------|----------------------|
| | <u>Food Service</u> | <u>Adult School Fund</u> | <u>Before School Care Fund</u> | <u>After School Care Fund</u> | <u>Summer Recreation Fund</u> | <u>Kindergarten Care Fund</u> | <u>Preschool Extended Day Fund</u> | |
| NET POSITION: | | | | | | | | |
| Net Investment in Capital Assets | \$ 17,419.76 | | | | | | | \$ 17,419.76 |
| Unrestricted (Deficit) | <u>(68,855.41)</u> | <u>\$ 147.72</u> | <u>\$ (229,354.88)</u> | <u>\$ 181,971.06</u> | <u>\$ 198,143.80</u> | <u>-</u> | <u>\$ 50,575.12</u> | <u>132,627.41</u> |
| Total Net Position | <u>\$ (51,435.65)</u> | <u>\$ 147.72</u> | <u>\$ (229,354.88)</u> | <u>\$ 181,971.06</u> | <u>\$ 198,143.80</u> | <u>-</u> | <u>\$ 50,575.12</u> | <u>\$ 150,047.17</u> |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2025

| | School Age Child Care (SACC) | | | | | | | Total |
|---|------------------------------|-------------------|-------------------------|------------------------|------------------------|------------------------|-----------------------------|---------------------|
| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Care Fund | Preschool Extended Day Fund | |
| OPERATING REVENUES: | | | | | | | | |
| Charges for Services: | | | | | | | | |
| Daily Sales - Reimbursable Programs | \$ 247,648.45 | | | | | | | \$ 247,648.45 |
| Daily Sales - Non-Reimbursable Programs | 140,145.87 | | | | | | | 140,145.87 |
| Special Functions | 36,411.68 | | | | | | | 36,411.68 |
| Other Activity Income | | | \$ 61,231.92 | \$ 486,127.01 | \$ 261,864.18 | | \$ 236,861.18 | 1,046,084.29 |
| Total Operating Revenues | 424,206.00 | - | 61,231.92 | 486,127.01 | 261,864.18 | - | 236,861.18 | 1,470,290.29 |
| OPERATING EXPENSES: | | | | | | | | |
| Food Service Management Company Salaries and Benefits | 372,463.82 | | | | | | | 372,463.82 |
| Personnel Services - Salaries | | | 99,687.41 | 336,643.21 | 158,085.26 | | 191,920.76 | 786,336.64 |
| Personnel Services - Employee Benefits | | | 7,386.70 | 16,999.43 | 11,848.67 | | 14,354.50 | 50,589.30 |
| Purchased Professional and Technical Services | 7,154.18 | | | 2,247.50 | 2,247.50 | | 2,247.50 | 13,896.68 |
| Other Purchased Services | 81,029.74 | | | 11,980.00 | | | | 93,009.74 |
| Supplies and Materials | 21,550.89 | | 12,078.70 | 27,001.91 | 15,804.43 | | 5,493.90 | 81,929.83 |
| Depreciation | 1,423.80 | | | | | | | 1,423.80 |
| Cost of Sales / Goods Sold: | | | | | | | | |
| Reimbursable Program | 241,060.27 | | | | | | | 241,060.27 |
| Non-Reimbursable Program | 58,803.00 | | | | | | | 58,803.00 |
| Miscellaneous | 1,065.45 | | | | 276.41 | | | 1,341.86 |
| Total Operating Expenses | 784,551.15 | - | 119,152.81 | 394,872.05 | 188,262.27 | - | 214,016.66 | 1,700,854.94 |
| Operating Income (Loss) | (360,345.15) | - | (57,920.89) | 91,254.96 | 73,601.91 | - | 22,844.52 | (230,564.65) |
| NONOPERATING REVENUES (EXPENSES): | | | | | | | | |
| State Sources: | | | | | | | | |
| State School Breakfast Program | 2,556.98 | | | | | | | 2,556.98 |
| State School Lunch Program | 10,343.78 | | | | | | | 10,343.78 |
| State S-EBT Reimbursement | 321.50 | | | | | | | 321.50 |
| Federal Sources: | | | | | | | | |
| National School Breakfast Program | 23,943.81 | | | | | | | 23,943.81 |
| National School Lunch Program | 162,239.67 | | | | | | | 162,239.67 |
| After School Snack Program | 7,243.26 | | | | | | | 7,243.26 |
| Food Distribution Program | 49,210.68 | | | | | | | 49,210.68 |
| Federal S-EBT Reimbursement | 321.50 | | | | | | | 321.50 |
| Total Nonoperating Revenues (Expenses) | 256,181.18 | - | - | - | - | - | - | 256,181.18 |
| Income (Loss) before Transfers | (104,163.97) | - | (57,920.89) | 91,254.96 | 73,601.91 | - | 22,844.52 | 25,616.53 |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Proprietary Funds
 Business-Type Activities - Enterprise Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2025

| | School Age Child Care (SACC) | | | | | | | Total |
|---------------------------------|------------------------------|----------------------|----------------------------|---------------------------|------------------------------|---------------------------|-----------------------------------|----------------------|
| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Care Fund | Preschool Extended Day Fund | |
| TRANSFERS: | | | | | | | | |
| Transfer to General Fund | | | | | | \$ (289,589.58) | | \$ (289,589.58) |
| Total Transfers | - | - | - | - | - | (289,589.58) | - | (289,589.58) |
| Change in Net Position | \$ (104,163.97) | - | \$ (57,920.89) | \$ 91,254.96 | \$ 73,601.91 | (289,589.58) | \$ 22,844.52 | (263,973.05) |
| Net Position (Deficit), July 1 | 52,728.32 | \$ 147.72 | (154,165.38) | 73,205.67 | 127,232.97 | 289,589.58 | 63,013.62 | 451,752.50 |
| Prior Period Adjustments | - | - | (17,268.61) | 17,510.43 | (2,691.08) | - | (35,283.02) | (37,732.28) |
| Net Position, July 1 (Restated) | 52,728.32 | 147.72 | (171,433.99) | 90,716.10 | 124,541.89 | 289,589.58 | 27,730.60 | 414,020.22 |
| Net Position (Deficit), June 30 | <u>\$ (51,435.65)</u> | <u>\$ 147.72</u> | <u>\$ (229,354.88)</u> | <u>\$ 181,971.06</u> | <u>\$ 198,143.80</u> | <u>-</u> | <u>\$ 50,575.12</u> | <u>\$ 150,047.17</u> |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Proprietary Funds
Business-Type Activities - Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2025

| | School Age Child Care (SACC) | | | | | | | Total |
|---|------------------------------|----------------------|----------------------------|---------------------------|------------------------------|---------------------------|-----------------------------------|----------------------|
| | Food Service | Adult School Fund | Before School Care Fund | After School Care Fund | Summer Recreation Fund | Kindergarten Care Fund | Preschool Extended Day Fund | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | | | | |
| Receipts from Customers and Users | \$ 391,634.83 | | \$ 62,901.42 | \$ 526,479.87 | \$ 303,450.20 | | \$ 236,036.18 | \$ 1,520,502.50 |
| Receipts from Interfund Services Provided | 97,802.24 | | 53,853.12 | 7,834.88 | 387,060.57 | \$ 288,000.00 | 65,451.91 | 900,002.72 |
| Payments to Suppliers | (786,442.69) | | (9,365.40) | (41,229.41) | (18,528.34) | | (7,741.40) | (863,307.24) |
| Payments to Employees | | | (99,980.05) | (325,670.81) | (157,581.26) | | (190,509.87) | (773,741.99) |
| Payments for Employee Benefits | | | (7,409.09) | (16,160.04) | (11,810.13) | | (14,246.56) | (49,625.82) |
| Payments for Interfund Services Used | | | | (97,802.24) | (209,688.00) | | | (307,490.24) |
| Net Cash Provided by (Used for) Operating Activities | <u>(297,005.62)</u> | - | - | 53,452.25 | 292,903.04 | 288,000.00 | 88,990.26 | 426,339.93 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | | | | |
| Federal Sources | 284,735.18 | | | | | | | 284,735.18 |
| State Sources | 14,710.48 | | | | | | | 14,710.48 |
| Transfer from / (to) General Fund | | | | | | (289,589.58) | | (289,589.58) |
| Net Cash Provided by (Used for) Noncapital Financing Activities | <u>299,445.66</u> | - | - | - | - | (289,589.58) | - | 9,856.08 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | | | | | |
| Purchases of Capital Assets | <u>(16,121.16)</u> | | | | | | | (16,121.16) |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | <u>(16,121.16)</u> | - | - | - | - | - | - | (16,121.16) |
| Net Increase (Decrease) in Cash and Cash Equivalents | (13,681.12) | | | 53,452.25 | 292,903.04 | (1,589.58) | 88,990.26 | 420,074.85 |
| Cash and Cash Equivalents, July 1 | 13,681.12 | \$ 147.72 | | 50,423.80 | 13,164.38 | 1,589.58 | 3,061.71 | 82,068.31 |
| Cash and Cash Equivalents, June 30 | <u>-</u> | <u>\$ 147.72</u> | <u>-</u> | <u>\$ 103,876.05</u> | <u>\$ 306,067.42</u> | <u>-</u> | <u>\$ 92,051.97</u> | <u>\$ 502,143.16</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | | | | |
| Operating Income (Loss) | \$ (360,345.15) | | \$ (57,920.89) | \$ 91,254.96 | \$ 73,601.91 | | \$ 22,844.52 | \$ (230,564.65) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | | | | | |
| Depreciation | 1,423.80 | | | | | | | 1,423.80 |
| (Increase) Decrease in Interfund Accounts Receivable | | | | (89,967.36) | (209,688.00) | \$ 288,000.00 | | (11,655.36) |
| (Increase) Decrease in Other Accounts Receivable | (12,380.23) | | 1,669.50 | 40,352.86 | 387,060.57 | | 65,026.91 | 481,729.61 |
| (Increase) Decrease in Inventories for Consumption | (82.11) | | | | | | | (82.11) |
| (Increase) Decrease in Inventories for Resale | (3,233.23) | | | | | | | (3,233.23) |
| Increase (Decrease) in Accounts Payable - Other | | | 2,713.30 | | (200.00) | | | 2,513.30 |
| Increase (Decrease) in Compensated Absences Payable | | | (315.03) | 11,811.79 | 542.54 | | 1,518.83 | 13,558.13 |
| Increase (Decrease) in Interfund Accounts Payable | 97,802.24 | | 53,853.12 | | | | | 151,655.36 |
| Increase (Decrease) in Unearned Revenue | (20,190.94) | | | | 41,586.02 | | (400.00) | 20,995.08 |
| Total Adjustments | <u>63,339.53</u> | - | <u>57,920.89</u> | <u>(37,802.71)</u> | <u>219,301.13</u> | <u>288,000.00</u> | <u>66,145.74</u> | <u>656,904.58</u> |
| Net Cash Provided by (Used for) Operating Activities | <u>\$ (297,005.62)</u> | <u>-</u> | <u>-</u> | <u>\$ 53,452.25</u> | <u>\$ 292,903.04</u> | <u>\$ 288,000.00</u> | <u>\$ 88,990.26</u> | <u>\$ 426,339.93</u> |

LONG-TERM DEBT

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Schedule of General Serial Bonds
 For the Fiscal Year Ended June 30, 2025

| Issue | Date of Issue | Amount of Issue | Annual Maturities | | Interest Rate | Balance June 30, 2024 | Issued | Retired | Balance June 30, 2025 |
|--------------------------|---------------|------------------|-------------------|-----------------|---------------|-----------------------|------------------|-----------------|-----------------------|
| | | | Date | Amount | | | | | |
| School Bond, Series 2014 | 12/03/14 | \$ 31,123,000.00 | 08/01/25 | \$ 1,275,000.00 | 3.00% | | | | |
| | | | 08/01/26 | 1,300,000.00 | 3.00% | | | | |
| | | | 08/01/27 | 1,325,000.00 | 3.00% | | | | |
| | | | 08/01/28 | 1,335,000.00 | 3.00% | | | | |
| | | | 08/01/29 | 1,345,000.00 | 3.13% | | | | |
| | | | 08/01/30 | 1,350,000.00 | 3.25% | | | | |
| | | | 08/01/31 | 1,350,000.00 | 3.25% | | | | |
| | | | 08/01/32 | 1,350,000.00 | 3.50% | | | | |
| | | | 08/01/33 | 1,350,000.00 | 3.50% | | | | |
| | | | 08/01/34 | 1,330,000.00 | 3.50% | | | | |
| | | | 08/01/35 | 1,300,000.00 | 3.50% | | | | |
| | | | 08/01/36 | 1,250,000.00 | 4.00% | | | | |
| | | | 08/01/37 | 1,200,000.00 | 4.00% | | | | |
| | | | 08/01/38 | 1,150,000.00 | 4.00% | | | | |
| | | | 08/01/39 | 1,100,000.00 | 4.00% | | | | |
| | | | 08/01/40 | 1,000,000.00 | 4.00% | | | | |
| | | | 08/01/41 | 900,000.00 | 4.00% | | | | |
| | | | 08/01/42 | 800,000.00 | 4.00% | | | | |
| | | | 08/01/43 | 700,000.00 | 4.00% | | | | |
| | | | | | | | | | |
| School Bond, Series 2024 | 07/11/24 | 30,584,000.00 | 08/01/26 | 654,000.00 | 2.00% | | | | |
| | | | 08/01/27 | 675,000.00 | 2.00% | | | | |
| | | | 08/01/28 | 700,000.00 | 2.00% | | | | |
| | | | 08/01/29 | 725,000.00 | 3.75% | | | | |
| | | | 08/01/30 | 750,000.00 | 4.00% | | | | |
| | | | 08/01/31 | 775,000.00 | 4.00% | | | | |
| | | | 08/01/32 | 800,000.00 | 4.00% | | | | |
| | | | 08/01/33 | 830,000.00 | 4.00% | | | | |
| | | | 08/01/34 | 850,000.00 | 4.00% | | | | |
| | | | 08/01/35 | 900,000.00 | 4.00% | | | | |
| | | | 08/01/36 | 925,000.00 | 4.00% | | | | |
| | | | 08/01/37 | 950,000.00 | 4.00% | | | | |
| | | | 08/01/38 | 1,000,000.00 | 4.00% | | | | |
| | | | 08/01/39 | 1,050,000.00 | 4.00% | | | | |
| | | | 08/01/40 | 1,100,000.00 | 4.00% | | | | |
| | | | 08/01/41 | 1,150,000.00 | 4.00% | | | | |
| | | | 08/01/42 | 1,200,000.00 | 4.00% | | | | |
| | | | 08/01/43 | 1,250,000.00 | 4.00% | | | | |
| | | | 08/01/44 | 1,300,000.00 | 4.00% | | | | |
| | | | 08/01/45 | 1,300,000.00 | 4.00% | | | | |
| | | | 08/01/46 | 1,300,000.00 | 4.00% | | | | |
| | | | 08/01/47 | 1,300,000.00 | 4.00% | | | | |
| | | | 08/01/48 | 1,300,000.00 | 4.00% | | | | |
| | | | 08/01/49 | 1,300,000.00 | 4.00% | | | | |
| | | | 08/01/50 | 1,300,000.00 | 4.00% | | | | |
| 08/01/51 | 1,300,000.00 | 4.00% | | | | | | | |
| 08/01/52 | 1,300,000.00 | 4.00% | | | | | | | |
| 08/01/53 | 1,300,000.00 | 4.00% | | | | | | | |
| 08/01/54 | 1,300,000.00 | 4.00% | | | | | | | |
| | | | | | | \$ 30,584,000.00 | | 30,584,000.00 | |
| | | | | | | \$ 24,648,000.00 | \$ 30,584,000.00 | \$ 1,250,000.00 | 53,982,000.00 |
| Unamortized Premium | | | | | | | | | 655,017.02 |
| | | | | | | | | | \$ 54,637,017.02 |

TOWNSHIP OF HADDON SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

| | <u>Original Budget</u> | <u>Budget Modifications / Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|---|-------------------------|-----------------|-------------------------------------|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 1,830,664.00 | _____ | \$ 1,830,664.00 | \$ 1,830,664.00 | _____ |
| Total - Local Sources | 1,830,664.00 | - | 1,830,664.00 | 1,830,664.00 | - |
| State Sources: | | | | | |
| Debt Service Aid Type II | 300,113.00 | _____ | 300,113.00 | 300,113.00 | _____ |
| Total - State Sources | 300,113.00 | - | 300,113.00 | 300,113.00 | - |
| Total Revenues | 2,130,777.00 | - | 2,130,777.00 | 2,130,777.00 | - |
| EXPENDITURES: | | | | | |
| Regular Debt Service: | | | | | |
| Interest on Bonds | 880,777.00 | _____ | 880,777.00 | 843,651.26 | \$ 37,125.74 |
| Redemption of Principal | 1,250,000.00 | _____ | 1,250,000.00 | 1,250,000.00 | _____ |
| Total Regular Debt Service | 2,130,777.00 | - | 2,130,777.00 | 2,093,651.26 | 37,125.74 |
| Total Expenditures | 2,130,777.00 | - | 2,130,777.00 | 2,093,651.26 | 37,125.74 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | 37,125.74 | 37,125.74 |
| Fund Balance, July 1 | - | - | - | 0.11 | 0.11 |
| Fund Balance, June 30 | - | - | - | \$ 37,125.85 | \$ 37,125.85 |
| Recapitulation: | | | | | |
| Restricted Fund Balance: | | | | | |
| For Subsequent Years' Expenditures | | | | \$ 37,125.85 | |

STATISTICAL SECTION

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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|----------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| | 2025*** | 2024 | 2023 | 2022** | 2021* | 2020 | 2019 | 2018 | 2017 | 2016 |
| Governmental Activities: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 15,346,925.90 | \$ 16,970,631.50 | \$ 17,433,717.55 | \$ 19,927,894.40 | \$ 21,209,490.12 | \$ 22,382,494.77 | \$ 23,555,407.23 | \$ 23,861,340.34 | \$ 23,832,592.34 | \$ 14,485,629.10 |
| Restricted | 1,226,802.84 | 1,343,303.96 | 1,919,662.10 | 2,272,814.99 | 2,796,233.94 | 2,160,368.77 | 1,829,147.61 | 2,757,382.29 | 3,207,761.22 | 19,230,002.34 |
| Unrestricted (Deficit) | (15,126,495.51) | (13,520,053.96) | (6,950,902.57) | (7,887,642.52) | (9,672,493.03) | (10,544,687.38) | (10,500,679.94) | (10,560,678.21) | (10,324,542.46) | (24,100,051.19) |
| Total Governmental Activities Net Position | \$ 1,447,233.23 | \$ 4,793,881.50 | \$ 12,402,477.08 | \$ 14,313,066.87 | \$ 14,333,231.03 | \$ 13,998,176.16 | \$ 14,883,874.90 | \$ 16,058,044.42 | \$ 16,715,811.10 | \$ 9,615,580.25 |
| Business-Type Activities: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 17,419.76 | \$ 2,722.40 | \$ 3,642.20 | \$ 4,562.00 | \$ 8,272.91 | \$ 9,869.39 | \$ 11,465.87 | \$ 13,959.43 | \$ 17,205.00 | \$ 20,450.95 |
| Unrestricted (Deficit) | 132,627.41 | 411,297.82 | 480,520.20 | 600,729.08 | 385,901.94 | 237,079.68 | 239,793.66 | 279,009.33 | 292,518.00 | 271,454.08 |
| Total Business-Type Activities Net Position | \$ 150,047.17 | \$ 414,020.22 | \$ 484,162.40 | \$ 605,291.08 | \$ 394,174.85 | \$ 246,949.07 | \$ 251,259.53 | \$ 292,968.76 | \$ 309,723.00 | \$ 291,905.03 |
| Government-Wide: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 15,364,345.66 | \$ 16,973,353.90 | \$ 17,437,359.75 | \$ 19,932,456.40 | \$ 21,217,763.03 | \$ 22,392,364.16 | \$ 23,566,873.10 | \$ 23,875,299.77 | \$ 23,849,797.34 | \$ 14,506,080.05 |
| Restricted | 1,226,802.84 | 1,343,303.96 | 1,919,662.10 | 2,272,814.99 | 2,796,233.94 | 2,160,368.77 | 1,829,147.61 | 2,757,382.29 | 3,207,761.22 | 19,230,002.34 |
| Unrestricted (Deficit) | (14,993,868.10) | (13,108,756.14) | (6,470,382.37) | (7,286,913.44) | (9,286,591.09) | (10,307,607.70) | (10,260,886.28) | (10,281,668.88) | (10,032,024.46) | (23,828,597.11) |
| Total Government-Wide Net Position (Deficit) | \$ 1,597,280.40 | \$ 5,207,901.72 | \$ 12,886,639.48 | \$ 14,918,357.95 | \$ 14,727,405.88 | \$ 14,245,125.23 | \$ 15,135,134.43 | \$ 16,351,013.18 | \$ 17,025,534.10 | \$ 9,907,485.28 |

* The implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, was effective beginning with the fiscal year ended June 30, 2021.

** The implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, was effective beginning with the fiscal year ended June 30, 2022.

*** The implementation of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, was effective beginning with the fiscal year ended June 30, 2025.

Source: Annual Comprehensive Financial Report Exhibit A-1.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|--|----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 2025*** | 2024 | 2023 | 2022** | 2021* | 2020 | 2019 | 2018 | 2017 | 2016 |
| Expenses: | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | \$ 11,529,387.94 | \$ 12,072,516.23 | \$ 10,462,544.26 | \$ 11,546,904.69 | \$ 11,202,935.53 | \$ 11,072,097.43 | \$ 10,961,897.25 | \$ 11,038,719.35 | \$ 11,129,350.82 | \$ 10,649,174.51 |
| Special Education | 2,840,476.31 | 2,887,907.35 | 4,186,175.57 | 2,919,060.97 | 2,667,053.71 | 2,703,771.95 | 2,758,401.40 | 2,583,203.90 | 2,228,348.22 | 2,169,891.04 |
| Other Special Instruction | 445,245.29 | 574,579.01 | 745,700.03 | 532,700.70 | 452,261.22 | 433,879.46 | 421,640.13 | 426,498.71 | 380,706.81 | 391,635.81 |
| Other Instruction | 830,964.24 | 776,264.46 | 639,608.78 | 799,548.86 | 819,537.86 | 743,109.38 | 749,012.03 | 713,006.99 | 676,896.13 | 738,093.19 |
| Support Services: | | | | | | | | | | |
| Tuition | 2,387,348.12 | 2,118,763.52 | 2,060,221.18 | 1,589,466.50 | 1,581,974.51 | 1,317,180.26 | 1,484,362.74 | 1,242,982.89 | 1,456,701.25 | 1,269,543.94 |
| Student and Instruction Related Services | 5,711,138.97 | 5,998,312.59 | 6,271,484.11 | 5,443,005.91 | 4,610,649.47 | 3,982,028.03 | 4,196,589.05 | 4,118,397.25 | 3,989,420.64 | 3,892,246.40 |
| Other Administrative Services | 2,389,739.30 | 887,720.89 | | 751,456.20 | 493,982.99 | 499,949.81 | 509,345.04 | 474,663.96 | 521,643.47 | 587,721.45 |
| School Administrative Services | 2,295,744.91 | 2,451,769.89 | 648,833.87 | 2,140,552.00 | 2,411,741.29 | 2,384,950.88 | 2,464,450.43 | 2,420,784.12 | 2,309,035.41 | 2,200,878.15 |
| Business Administrative Services | | | 1,718,099.45 | | | | | | | |
| Central Services | | | 413,598.43 | | | | | | | |
| Administrative Information Technology | | | 222,810.92 | | | | | | | |
| Plant Operations and Maintenance | 6,181,081.44 | 6,211,367.91 | 5,744,276.79 | 5,884,175.50 | 5,459,580.99 | 5,580,479.03 | 5,720,689.16 | 5,134,345.80 | 3,317,496.19 | 3,286,795.94 |
| Pupil Transportation | 1,790,092.89 | 1,907,838.14 | 1,537,728.73 | 1,216,592.48 | 872,228.11 | 973,991.03 | 1,077,575.28 | 1,127,736.89 | 1,079,875.44 | 1,008,560.68 |
| Personal Services - Employee Benefits | 10,949,377.71 | 11,200,892.19 | 10,325,336.16 | 12,134,263.27 | 17,233,580.23 | 13,609,638.66 | 15,616,817.04 | 18,966,106.00 | 17,688,769.56 | 13,978,171.98 |
| Special Schools | 58,870.09 | 56,700.65 | | 46,568.36 | | | | | | |
| Transfer of Funds to Charter School | 76,017.00 | 59,845.00 | 53,549.00 | 66,106.00 | | | | | 50,018.00 | 44,698.00 |
| Interest on Long-term Debt | 1,894,947.50 | 866,875.09 | 882,862.71 | 965,687.86 | 1,009,699.34 | 1,058,096.27 | 1,090,687.78 | 1,120,612.25 | 1,149,574.18 | 1,190,757.48 |
| Unallocated Depreciation and Amortization | 146,118.89 | 144,015.41 | 130,902.29 | 131,037.65 | 130,958.67 | 130,541.52 | 164,725.43 | 130,541.52 | 135,250.08 | 132,908.89 |
| Total Governmental Activities Expenses | 49,526,550.60 | 48,215,368.33 | 46,043,732.28 | 46,167,126.95 | 48,946,183.92 | 44,489,713.71 | 47,216,192.76 | 49,497,599.63 | 46,113,086.20 | 41,541,077.46 |
| Business-Type Activities: | | | | | | | | | | |
| Food Service | 784,551.15 | 771,116.24 | 658,349.98 | 629,447.35 | 347,943.22 | 420,270.27 | 497,150.73 | 486,814.89 | 490,213.37 | 534,309.39 |
| Before School Care | 119,152.81 | 113,638.41 | 88,026.05 | 65,085.92 | | | | | | |
| After School Care | 394,872.05 | 296,412.32 | 250,569.71 | 258,375.19 | | | | | | |
| Summer Recreation | 188,262.27 | 150,384.62 | 140,766.07 | 122,529.79 | | | | | | |
| Kindergarten Care | | 2,686.94 | 289,532.42 | 229,316.66 | | | | | | |
| Preschool Extended Day | 214,016.66 | 155,984.75 | 61,155.12 | 48,149.01 | | | | | | |
| Other | | | | | 144,376.17 | 525,255.82 | 715,776.01 | 608,128.77 | 525,473.51 | 435,273.39 |
| Total Business-Type Activities Expense | 1,700,854.94 | 1,490,223.28 | 1,488,399.35 | 1,352,903.92 | 492,319.39 | 945,526.09 | 1,212,926.74 | 1,094,943.66 | 1,015,686.88 | 969,582.78 |
| Total Government-Wide Expenses | \$ 51,227,405.54 | \$ 49,705,591.61 | \$ 47,532,131.63 | \$ 47,520,030.87 | \$ 49,438,503.31 | \$ 45,435,239.80 | \$ 48,429,119.50 | \$ 50,592,543.29 | \$ 47,128,773.08 | \$ 42,510,660.24 |
| Program Revenues: | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services | \$ 995,514.19 | \$ 899,508.28 | \$ 756,603.85 | \$ 520,430.11 | \$ 404,941.19 | \$ 141,736.62 | \$ 121,860.00 | \$ 123,692.30 | \$ 142,702.00 | \$ 115,463.00 |
| Operating Grants and Contributions | 5,351,926.12 | 6,323,398.21 | 6,808,372.54 | 9,058,807.91 | 12,654,871.93 | 8,317,927.55 | 10,509,702.94 | 11,002,717.32 | 19,187,957.99 | 8,605,779.21 |
| Capital Grants and Contributions | | 98,835.86 | | 37,310.00 | | | | | | |
| Total Governmental Activities Program Revenues | 6,347,440.31 | 7,321,742.35 | 7,564,976.39 | 9,616,548.02 | 13,059,813.12 | 8,459,664.17 | 10,631,562.94 | 11,126,409.62 | 19,330,659.99 | 8,721,242.21 |
| Business-Type Activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Food Service | 424,206.00 | 377,289.69 | 348,761.57 | 52,250.26 | 2,731.49 | 218,800.88 | 343,693.24 | 278,456.62 | 299,393.50 | 275,450.59 |
| Before School Care | 61,231.92 | 55,710.50 | 25,566.00 | 31,308.50 | | | | | | |
| After School Care | 486,127.01 | 373,115.89 | 345,969.50 | 158,587.50 | | | | | | |
| Summer Recreation | 261,864.18 | 225,494.02 | 182,727.00 | 94,147.50 | | | | | | |
| Kindergarten Care | | 20,770.00 | 308,261.00 | | | | | | | |
| Preschool Extended Day | 236,861.18 | 150,542.50 | 72,120.00 | 105,640.00 | | | | | | |
| Other | | | | | 47,314.72 | 551,904.32 | 656,918.24 | 628,808.50 | 557,119.08 | 576,624.09 |
| Operating Grants and Contributions | 256,181.18 | 275,660.78 | 371,356.60 | 815,939.82 | 589,498.81 | 170,510.43 | 171,503.11 | 170,924.50 | 176,992.14 | 205,112.36 |
| Total Business-Type Activities Program Revenues | 1,726,471.47 | 1,457,813.38 | 1,367,270.67 | 1,566,134.58 | 639,545.02 | 941,215.63 | 1,172,114.59 | 1,078,189.62 | 1,033,504.72 | 1,057,187.04 |
| Total Government-Wide Program Revenues | \$ 8,073,911.78 | \$ 8,779,555.73 | \$ 8,932,247.06 | \$ 11,182,682.60 | \$ 13,699,358.14 | \$ 9,400,879.80 | \$ 11,803,677.53 | \$ 12,204,599.24 | \$ 20,364,164.71 | \$ 9,778,429.25 |
| Net (Expense) / Revenue: | | | | | | | | | | |
| Governmental Activities | \$ (43,179,110.29) | \$ (40,893,625.98) | \$ (38,478,755.89) | \$ (36,550,578.93) | \$ (35,886,370.80) | \$ (36,030,049.54) | \$ (36,584,629.82) | \$ (38,371,190.01) | \$ (26,782,426.21) | \$ (32,819,835.25) |
| Business-Type Activities | 25,616.53 | (32,409.90) | (121,128.68) | 213,230.66 | 147,225.63 | (4,310.46) | (40,812.15) | (16,754.04) | 17,817.84 | 87,604.26 |
| Total Government-Wide Net Expense | \$ (43,153,493.76) | \$ (40,926,035.88) | \$ (38,599,884.57) | \$ (36,337,348.27) | \$ (35,739,145.17) | \$ (36,034,360.00) | \$ (36,625,441.97) | \$ (38,387,944.05) | \$ (26,764,608.37) | \$ (32,732,230.99) |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|----------------------------|--------------------------|--------------------------|-------------------------|-------------------------|-------------------------|--------------------------|--------------------------|-------------------------|--------------------------|
| | 2025*** | 2024 | 2023 | 2022** | 2021* | 2020 | 2019 | 2018 | 2017 | 2016 |
| General Revenues and Other Changes in Net Position: | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes, Levied for General Purposes | \$ 26,512,424.00 | \$ 25,992,573.00 | \$ 25,482,915.00 | \$ 24,869,203.00 | \$ 24,381,572.00 | \$ 24,017,549.00 | \$ 23,434,806.00 | \$ 22,975,300.00 | \$ 22,524,805.00 | \$ 21,650,138.00 |
| Property Taxes, Levied for Debt Service | 1,830,664.00 | 1,803,924.00 | 1,813,670.00 | 2,303,218.00 | 2,334,963.00 | 2,345,112.00 | 2,366,460.00 | 2,382,056.00 | 2,197,604.00 | 998,763.00 |
| Federal and State Aid - Unrestricted | 10,289,229.33 | 10,520,446.90 | 9,385,353.25 | 8,918,243.41 | 8,728,795.49 | 8,553,358.73 | 8,658,274.52 | 8,780,387.23 | 8,767,044.54 | 8,559,238.49 |
| Federal and State Aid - Restricted | 180,067.80 | 175,073.58 | 172,012.84 | 141,677.38 | | | | | | |
| Interest and Investment Earnings - Unrestricted | 356,381.41 | 13,098.43 | | 5,495.43 | | | | | | |
| Interest and Investment Earnings - Restricted | 4,651.29 | 9,815.43 | | 780.61 | | | | | | |
| Miscellaneous - Unrestricted | 369,454.61 | 305,731.14 | 157,851.66 | 291,796.94 | 171,602.92 | 228,331.17 | 954,420.19 | 226,718.26 | 393,203.49 | 161,121.67 |
| Gain (Loss) on Disposal of Capital Assets | | (1,266.41) | | | | | (3,500.41) | (8,220.18) | | (13,103.55) |
| Transfers | 289,589.58 | | | | | | | | | |
| Total Governmental Activities | 39,832,462.02 | 38,819,396.07 | 37,011,802.75 | 36,530,414.77 | 35,616,933.41 | 35,144,350.90 | 35,410,460.30 | 34,356,241.31 | 33,882,657.03 | 31,356,157.61 |
| Business-Type Activities: | | | | | | | | | | |
| Gain (Loss) on Disposal of Capital Assets | | | | (2,114.43) | | | (897.08) | | | |
| Transfers | (289,589.58) | | | | | | | | | |
| Total Business-Type Activities | (289,589.58) | - | - | (2,114.43) | - | - | (897.08) | - | - | - |
| Total Government-Wide | \$ 39,542,872.44 | \$ 38,819,396.07 | \$ 37,011,802.75 | \$ 36,528,300.34 | \$ 35,616,933.41 | \$ 35,144,350.90 | \$ 35,409,563.22 | \$ 34,356,241.31 | \$ 33,882,657.03 | \$ 31,356,157.61 |
| Change in Net Position: | | | | | | | | | | |
| Governmental Activities | \$ (3,346,648.27) | \$ (2,074,229.91) | \$ (1,466,953.14) | \$ (20,164.16) | \$ (269,437.39) | \$ (885,698.64) | \$ (1,174,169.52) | \$ (4,014,948.70) | \$ 7,100,230.82 | \$ (1,463,677.64) |
| Business-Type Activities | (263,973.05) | (32,409.90) | (121,128.68) | 211,116.23 | 147,225.63 | (4,310.46) | (41,709.23) | (16,754.04) | 17,817.84 | 87,604.26 |
| Total Government-Wide | \$ (3,610,621.32) | \$ (2,106,639.81) | \$ (1,588,081.82) | \$ 190,952.07 | \$ (122,211.76) | \$ (890,009.10) | \$ (1,215,878.75) | \$ (4,031,702.74) | \$ 7,118,048.66 | \$ (1,376,073.38) |

* The implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, was effective beginning with the fiscal year ended June 30, 2021.

** The implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, was effective beginning with the fiscal year ended June 30, 2022.

*** The implementation of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, was effective beginning with the fiscal year ended June 30, 2025.

Source: Annual Comprehensive Financial Report Exhibit A-2.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|------------------------------------|----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|
| | 2025 | 2024 | 2023 | 2022** | 2021* | 2020 | 2019 | 2018 | 2017 | 2016 |
| General Fund: | | | | | | | | | | |
| Nonspendable | | | \$ 64,270.16 | \$ 36,100.55 | \$ 54,335.53 | \$ 28,438.34 | \$ 69,141.23 | \$ 44,204.75 | | |
| Restricted | \$ 940,058.52 | \$ 1,091,085.14 | 1,582,524.11 | 2,021,942.52 | 2,532,637.46 | 2,156,826.53 | 1,829,146.72 | 2,757,382.14 | \$ 3,207,757.81 | \$ 3,513,662.51 |
| Assigned | 186,039.00 | 764,521.23 | 378,245.60 | 837,144.95 | 262,458.04 | 200,000.36 | 1,545.65 | 11,701.17 | 95,562.71 | 74,276.10 |
| Unassigned (Deficit) | (200,602.41) | (713,335.17) | 560,454.95 | 1,055,402.52 | 1,208,564.65 | 710,445.28 | 1,030,346.26 | 879,326.08 | 867,449.03 | 757,054.20 |
| Total General Fund | <u>\$ 925,495.11</u> | <u>\$ 1,142,271.20</u> | <u>\$ 2,585,494.82</u> | <u>\$ 3,950,590.54</u> | <u>\$ 4,057,995.68</u> | <u>\$ 3,095,710.51</u> | <u>\$ 2,930,179.86</u> | <u>\$ 3,692,614.14</u> | <u>\$ 4,170,769.55</u> | <u>\$ 4,344,992.81</u> |
| All Other Governmental Funds: | | | | | | | | | | |
| Restricted | \$ 23,537,342.61 | \$ 252,218.82 | \$ 272,867.83 | \$ 250,872.47 | \$ 263,596.48 | \$ 3,542.24 | \$ 1.00 | | \$ 1.41 | \$ 15,716,339.83 |
| Total All Other Governmental Funds | <u>\$ 23,537,342.61</u> | <u>\$ 252,218.82</u> | <u>\$ 272,867.83</u> | <u>\$ 250,872.47</u> | <u>\$ 263,596.48</u> | <u>\$ 3,542.24</u> | <u>\$ 1.00</u> | <u>-</u> | <u>\$ 1.41</u> | <u>\$ 15,716,339.83</u> |

* The implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, was effective beginning with the fiscal year ended June 30, 2021.

** The implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, was effective beginning with the fiscal year ended June 30, 2022.

Source: Annual Comprehensive Financial Report Exhibit B-1.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|--|----------------------------|--------------------------|--------------------------|------------------------|----------------------|----------------------|------------------------|------------------------|---------------------------|-------------------------|
| | 2025 | 2024 | 2023 | 2022** | 2021* | 2020 | 2019 | 2018 | 2017 | 2016 |
| Revenues: | | | | | | | | | | |
| Local Tax Levy | \$ 28,343,088.00 | \$ 27,796,497.00 | \$ 27,296,585.00 | \$ 27,172,421.00 | \$ 26,716,535.00 | \$ 26,362,661.00 | \$ 25,801,266.00 | \$ 25,357,356.00 | \$ 24,722,409.00 | \$ 24,232,031.00 |
| Tuition Charges | 437,553.41 | 372,483.49 | 271,482.10 | 127,913.75 | 66,790.11 | 141,736.62 | 121,860.00 | 123,692.30 | 142,702.01 | 115,463.00 |
| Interest Earned on Current Expense Emergency Reserve Funds | | 108.59 | | | | | | | | |
| Interest Earned on Maintenance Reserve Funds | | 0.89 | | | | | | | | |
| Interest Earned on Capital Reserve Funds | | 4,769.43 | | | | | | | | |
| Other Restricted Miscellaneous Revenues | 4,651.29 | 4,936.52 | | 780.61 | | | | | | |
| Unrestricted Miscellaneous Revenues | 725,836.02 | 318,829.57 | 157,851.66 | 297,292.37 | 171,602.92 | 228,331.17 | 954,420.19 | 226,718.26 | 393,203.00 | 348,566.03 |
| Federal Sources | 1,146,641.86 | 1,286,138.29 | 1,804,554.07 | 1,702,438.50 | 1,125,980.89 | 801,361.91 | 834,313.41 | 880,327.35 | 812,991.36 | 877,511.89 |
| State Sources | 19,545,201.39 | 19,937,135.26 | 18,117,617.56 | 17,564,776.20 | 15,706,720.59 | 14,355,985.37 | 14,577,961.05 | 14,759,225.20 | 20,665,054.17 | 12,291,833.86 |
| Local Sources | 557,960.78 | 702,024.79 | 485,121.75 | 392,516.36 | 338,151.08 | | | | | |
| Total Revenue | 50,760,932.75 | 50,422,923.83 | 48,133,212.14 | 47,258,138.79 | 44,125,780.59 | 41,890,076.07 | 42,289,820.65 | 41,347,319.11 | 46,736,359.54 | 37,865,405.78 |
| Expenditures: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular Instruction | 11,955,880.84 | 12,259,025.60 | 10,388,381.58 | 11,374,648.49 | 11,108,127.48 | 10,975,211.93 | 10,887,650.64 | 10,965,093.44 | 11,057,561.88 | 10,589,146.44 |
| Special Education Instruction | 2,866,115.18 | 2,884,051.17 | 4,182,643.52 | 2,918,246.50 | 2,667,053.71 | 2,703,771.95 | 2,758,401.40 | 2,583,203.90 | 2,228,348.22 | 2,169,891.04 |
| Other Special Instruction | 452,616.63 | 546,496.12 | 745,700.03 | 531,190.59 | 452,261.22 | 433,879.46 | 421,640.13 | 426,498.71 | 380,706.81 | 391,635.81 |
| Other Instruction | 840,776.09 | 776,264.46 | 589,420.02 | 799,548.86 | 819,537.86 | 743,109.38 | 749,012.03 | 713,006.99 | 676,896.13 | 738,093.19 |
| Support Services and Undistributed Costs: | | | | | | | | | | |
| Tuition | 2,387,348.12 | 2,118,763.52 | 2,060,221.18 | 1,589,466.50 | 1,581,974.51 | 1,317,180.26 | 1,484,362.74 | 1,242,982.89 | 1,456,701.25 | 1,269,543.94 |
| Student and Instruction Related Services | 5,765,053.47 | 5,995,140.39 | 6,297,194.90 | 5,419,903.59 | 4,610,649.47 | 3,982,028.03 | 4,196,589.05 | 4,118,397.25 | 3,989,220.06 | 3,891,556.64 |
| Other Administrative Services | 2,398,589.74 | 899,505.57 | 668,940.74 | 736,934.89 | 2,411,741.29 | 2,384,950.88 | 2,464,450.43 | 2,420,784.12 | 2,307,787.66 | 2,199,576.15 |
| School Administrative Services | 2,331,852.71 | 2,389,954.73 | 1,714,954.45 | 2,129,009.32 | 493,982.99 | 499,949.81 | 509,345.04 | 474,663.96 | 521,643.47 | 587,721.45 |
| Central Services | | | 411,928.67 | | | | | | | |
| Administrative Information Technology | | | 222,512.92 | | | | | | | |
| Plant Operations and Maintenance | 3,351,755.30 | 3,432,373.99 | 3,141,284.79 | 3,355,450.42 | 2,782,003.18 | 3,042,471.49 | 3,076,816.85 | 2,942,282.66 | 2,862,837.59 | 2,831,849.16 |
| Pupil Transportation | 1,687,375.56 | 1,793,784.27 | 1,528,996.45 | 1,109,780.50 | 769,207.72 | 875,125.35 | 996,572.72 | 1,039,047.15 | 987,563.85 | 926,994.06 |
| Personal Services - Employee Benefits | 16,503,984.71 | 16,360,462.19 | 15,162,671.26 | 14,690,466.27 | 13,187,896.23 | 11,877,144.66 | 11,827,312.04 | 11,044,747.98 | 10,081,972.41 | 9,497,185.69 |
| Capital Outlay | 6,060,554.24 | 1,903,661.47 | 140,572.97 | 212,378.25 | 288,537.52 | 303,004.51 | 1,072,674.86 | 1,228,842.47 | 23,376,836.14 | 8,978,662.16 |
| Special Schools | 59,852.75 | 56,700.65 | 50,188.76 | 46,568.36 | | | | | | |
| Transfer of Funds to Charter Schools | 76,017.00 | 59,845.00 | 53,549.00 | 66,106.00 | | | | | 50,018.00 | 44,698.00 |
| Debt Service: | | | | | | | | | | |
| Principal | 1,250,000.00 | 1,225,000.00 | 1,200,000.00 | 1,555,000.00 | 1,535,000.00 | 1,495,000.00 | 1,475,000.00 | 1,450,000.00 | 1,430,000.00 | 735,000.00 |
| Interest and Other Charges | 843,651.26 | 880,775.00 | 917,151.26 | 980,476.00 | 1,035,126.26 | 1,088,176.26 | 1,132,426.26 | 1,175,926.26 | 1,218,826.26 | 1,413,889.51 |
| Total Expenditures | 58,851,423.60 | 53,581,804.13 | 49,476,312.50 | 47,515,174.54 | 43,743,099.44 | 41,721,003.97 | 43,052,254.19 | 41,825,477.78 | 62,626,919.73 | 46,265,443.24 |
| Excess (Deficiency) of Revenues | | | | | | | | | | |
| Over (Under) Expenditures | (8,090,490.85) | (3,158,880.30) | (1,343,100.36) | (257,035.75) | 382,681.15 | 169,072.10 | (762,433.54) | (478,158.67) | (15,890,560.19) | (8,400,037.46) |
| Other Financing Sources (Uses): | | | | | | | | | | |
| Financed Purchases (Non-Budgeted) | | 1,695,007.67 | | 136,906.60 | | | | | | |
| Proceeds from Issuance of School Bonds | 30,584,000.00 | | | | | | | | | 31,123,000.00 |
| Premium on School Bonds Issued | 285,248.97 | | | | | | | | | |
| Refund of Prior Year Revenue | | | | | | | | | | (14,247.00) |
| Transfers In / (Out) | 289,589.58 | | | | | | | | | |
| Total Other Financing Sources (Uses) | 31,158,838.55 | 1,695,007.67 | - | 136,906.60 | - | - | - | - | - | 31,108,753.00 |
| Net Change in Fund Balances | \$ 23,068,347.70 | \$ (1,463,872.63) | \$ (1,343,100.36) | \$ (120,129.15) | \$ 382,681.15 | \$ 169,072.10 | \$ (762,433.54) | \$ (478,158.67) | \$ (15,890,560.19) | \$ 22,708,715.54 |
| Debt Service as a Percentage of | | | | | | | | | | |
| Noncapital Expenditures | 4.0% | 4.1% | 4.3% | 5.4% | 5.9% | 6.2% | 6.2% | 6.5% | 6.7% | 5.8% |

* The implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, was effective beginning with the fiscal year ended June 30, 2021.

** The implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, was effective beginning with the fiscal year ended June 30, 2022.

Source: Annual Comprehensive Financial Report Exhibit B-2.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 General Fund - Unrestricted Miscellaneous Revenues by Source
 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> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Refunds of Prior Year Expenses | | | \$ 39,708.60 | \$ 36,641.84 | \$ 400.96 | \$ 4,831.39 | \$ 388,350.96 | \$ 7,817.99 | \$ 4,894.12 | \$ 27,218.84 |
| Transportation Jointures | | | | | | 24,469.36 | 18,778.49 | 6,670.54 | | |
| Use of Facilities Fees | | | | | | 525.00 | 14,331.00 | 6,866.00 | 7,430.40 | |
| Athletic Event Receipts | \$ 32,061.25 | \$ 21,373.00 | 14,918.00 | 86,032.00 | 8,563.00 | 15,274.00 | 18,947.00 | 17,009.00 | 15,753.00 | 57,868.37 |
| Club Sports Fees | 76,867.00 | | | | | | | | | |
| Camp Fees | | | | | | | 240.00 | 570.00 | | 950.00 |
| Sale of Obsolete Equipment/Property | | | | 34,013.71 | 6,000.00 | 14,214.00 | | 302.99 | 8,185.00 | 7,810.00 |
| Services Provided for Other LEAs | 161,537.00 | 180,566.67 | | | | | | | 1,050.00 | |
| Workshop Fees | | | | | | | | | 150.00 | |
| Restitution | | | | | | | | 750.00 | | |
| Interest on Investments | 356,381.41 | 13,098.43 | 14,580.06 | 5,495.43 | 9,112.49 | 34,187.18 | 17,564.77 | 15,640.84 | 26,559.33 | 99,322.95 |
| Escrow Refund | | | | | | | | | | 3,878.57 |
| NJDEP Refund | | | | | | | | | | 205.00 |
| Colonial Conference Receipts | 26,034.00 | 24,839.00 | 24,897.00 | 27,902.00 | 11,975.00 | 4,350.00 | 23,381.00 | 21,244.00 | 21,643.00 | 26,836.00 |
| Insurance Award | | | 3,500.00 | | 2,000.00 | 1,000.00 | 1,000.00 | | | 500.00 |
| Donations | | | | 44,579.52 | 64,273.00 | 63,893.00 | 10,452.00 | | 6,756.30 | |
| Obligations | | | | | 81.76 | 577.00 | 90.02 | 10.98 | 232.20 | 5,583.27 |
| Cancellation of Prior Year Accounts Payable | | | | | | | | | 109,215.27 | |
| IPAD Repair Fees | | | | | 4,195.00 | 5,409.00 | 5,428.00 | 2,831.96 | 2,789.00 | |
| Waste Oil Refund | | | | | | | | | | 396.06 |
| Settlements | | | | | | | | 10,000.00 | | |
| Installment Payment - Track | | | | | | 1,060.00 | | | | 24,000.00 |
| Tuition Reimbursement | 4,984.52 | 4,611.37 | | 1,146.34 | 18,152.40 | 15,353.71 | 5,427.30 | 5,496.91 | 60,983.51 | 38,998.23 |
| Quarterly 941 Refund | | 4,103.78 | | | | | | | | |
| Capital Projects Fund | | | | | | 10,960.56 | 425,000.00 | | | |
| Board of Public Utilities - NJ Clean Energy Program | | | | | | | | 64,036.53 | 46,730.00 | 6,900.00 |
| Burlington County Insurance Pool | | | | | | | | | | 1,500.00 |
| E-Rate Refunds | 40,797.68 | 44,861.71 | 44,904.65 | | 40,409.52 | 20,018.88 | 3,325.97 | 41,068.05 | 29,771.98 | 14,346.86 |
| CPR Training | | | | | 294.00 | 418.00 | 880.00 | 713.00 | 684.00 | 5,000.00 |
| FEMA Reimbursement | | | | | | | | | 9,389.42 | |
| Miscellaneous | 27,173.16 | 25,375.61 | 13,865.35 | 61,481.53 | 6,145.79 | 8,910.09 | 881.74 | 3,817.22 | 3,676.12 | 27,251.88 |
| Equipment Repair Fees | | | 1,478.00 | | | | | | | |
| Transportation Refund | | | | | | 2,880.00 | 20,341.94 | 21,872.25 | 37,310.86 | |
| | <u>\$ 725,836.02</u> | <u>\$ 318,829.57</u> | <u>\$ 157,851.66</u> | <u>\$ 297,292.37</u> | <u>\$ 171,602.92</u> | <u>\$ 228,331.17</u> | <u>\$ 954,420.19</u> | <u>\$ 226,718.26</u> | <u>\$ 393,203.51</u> | <u>\$ 348,566.03</u> |

Source: School 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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Years
Unaudited

| Year Ended Dec. 31 | Vacant Land | Residential | Commercial | Industrial | Apartment | Total Assessed Value | Public Utilities ⁽¹⁾ | Net Valuation Taxable | Tax-Exempt Property | Estimated Actual (County Equalized) Value | Total Direct School Tax Rate ⁽²⁾ |
|-----------------------|-----------------|---------------------|-------------------|-----------------|-------------------|----------------------|---------------------------------|-----------------------|---------------------|--|---|
| 2025 | \$ 8,260,800.00 | \$ 2,155,950,300.00 | \$ 231,214,000.00 | \$ 8,630,200.00 | \$ 194,673,000.00 | \$ 2,598,728,300.00 | - | \$ 2,598,728,300.00 | \$ 332,601,000.00 | \$ 2,359,279,237.00 | \$ 1.188 |
| 2024 | 3,600,800.00 | 1,110,288,700.00 | 129,973,500.00 | 4,907,400.00 | 63,042,500.00 | 1,311,812,900.00 | - | 1,311,812,900.00 | 198,727,000.00 | 1,898,716,440.00 | 2.140 |
| 2023 | 7,122,600.00 | 1,099,770,100.00 | 129,514,200.00 | 4,907,400.00 | 60,228,000.00 | 1,301,542,300.00 | \$ 868,617.00 | 1,302,410,917.00 | 197,922,200.00 | 1,728,284,316.00 | 2.115 |
| 2022 | 7,100,500.00 | 1,092,400,400.00 | 129,926,200.00 | 4,907,400.00 | 59,888,000.00 | 1,294,222,500.00 | 963,618.00 | 1,295,186,118.00 | 198,853,100.00 | 1,531,891,269.00 | 2.103 |
| 2021 | 7,042,500.00 | 1,084,060,300.00 | 129,548,900.00 | 4,757,400.00 | 59,819,600.00 | 1,285,228,700.00 | 968,441.00 | 1,286,197,141.00 | 173,904,700.00 | 1,477,047,772.00 | 2.095 |
| 2020 | 7,309,900.00 | 1,075,911,560.00 | 128,976,150.00 | 4,757,400.00 | 59,819,600.00 | 1,276,774,610.00 | 961,989.00 | 1,277,736,599.00 | 174,036,500.00 | 1,450,550,568.00 | 2.077 |
| 2019 | 7,247,800.00 | 1,070,751,900.00 | 128,711,100.00 | 4,757,400.00 | 59,819,600.00 | 1,271,287,800.00 | 972,965.00 | 1,272,260,765.00 | 173,924,300.00 | 1,394,873,601.00 | 2.050 |
| 2018 | 7,377,800.00 | 1,064,177,100.00 | 126,690,900.00 | 4,757,400.00 | 59,819,600.00 | 1,262,822,800.00 | 950,463.00 | 1,263,773,263.00 | 173,924,300.00 | 1,359,921,172.00 | 2.025 |
| 2017 | 6,846,400.00 | 1,060,524,000.00 | 125,894,300.00 | 4,996,700.00 | 60,035,000.00 | 1,258,296,400.00 | 952,350.00 | 1,259,248,750.00 | 121,233,700.00 | 1,341,181,411.00 | 1.988 |
| 2016 | 4,656,800.00 | 1,057,568,500.00 | 126,514,300.00 | 5,096,700.00 | 62,080,700.00 | 1,255,917,000.00 | 959,026.00 | 1,256,876,026.00 | 124,266,600.00 | 1,321,044,494.00 | 1.947 |

⁽¹⁾ taxable value of communication equipment.

⁽²⁾ tax rates are per \$100.00 of assessed valuation.

Source: Camden County Board of Taxation.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Years
 (Rate per \$100 of Assessed Value)
Unaudited

| Year Ended Dec. 31 | School District Direct Rate | | | Overlapping Rates | | | Total Direct and Tax Rate |
|--------------------------|-----------------------------|---------------------------------------|------------------------------------|----------------------|-----------------------|------------------|---------------------------------|
| | Basic Rate | General Obligation Debt Service | Total Direct School Tax Rate | Special Districts | Township of Haddon | Camden County | |
| 2025 | \$ 1.118 | \$ 0.070 | \$ 1.188 | \$ 0.231 (1) | \$ 0.447 | \$ 0.544 | \$ 2.410 |
| 2024 | 2.002 | 0.138 | 2.140 | 0.430 (1) | 0.843 | 0.954 | 4.367 |
| 2023 | 1.976 | 0.139 | 2.115 | 0.418 (1) | 0.752 | 0.955 | 4.240 |
| 2022 | 1.944 | 0.159 | 2.103 | 0.385 (1) | 0.748 | 0.929 | 4.165 |
| 2021 | 1.913 | 0.182 | 2.095 | 0.381 (1) | 0.748 | 0.971 | 4.195 |
| 2020 | 1.893 | 0.184 | 2.077 | 0.358 (1) | 0.748 | 0.967 | 4.150 |
| 2019 | 1.864 | 0.186 | 2.050 | 0.354 (1) | 0.649 | 0.953 | 4.006 |
| 2018 | 1.837 | 0.188 | 2.025 | 0.349 (1) | 0.644 | 0.964 | 3.982 |
| 2017 | 1.813 | 0.175 | 1.988 | 0.337 (1) | 0.641 | 0.950 | 3.916 |
| 2016 | 1.776 | 0.171 | 1.947 | 0.773 | 0.637 | 0.928 | 4.285 |

(1) Fire District #2 does not have an adopted budget and as a result no tax rate.

Source: Municipal Tax Collector.

TOWNSHIP OF HADDON SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Ten Years Ago
Unaudited

| Township of Haddon Taxpayer | 2025 | | | 2016 | | |
|---|--------------------------|------|--|--------------------------|------|--|
| | Taxable Assessed Value | Rank | % of Total District Net Assessed Value | Taxable Assessed Value | Rank | % of Total District Net Assessed Value |
| Haddon View Assoc | \$ 100,489,000.00 | 1 | 3.87% | \$ 36,852,000.00 | 1 | 2.93% |
| Haddon Hills % Goldberg | 68,301,000.00 | 2 | 2.63% | 17,711,100.00 | 5 | 1.41% |
| Kimco Realty Corp | 36,860,000.00 | 3 | 1.42% | 18,555,900.00 | 4 | 1.48% |
| Commonwealth % Media Real Estate Co | 13,255,000.00 | 4 | 0.51% | 7,500,000.00 | 6 | 0.60% |
| Haddon Crossing Apartments LLC | 11,478,000.00 | 5 | 0.44% | | | |
| FW NJ-Westmont Shopping Ctr LLC | 8,169,600.00 | 6 | 0.31% | | | |
| ILCL Center Associates % VAP | 7,032,000.00 | 7 | 0.27% | 3,500,000.00 | 10 | 0.28% |
| FMP Haddon LLC | 5,251,900.00 | 8 | 0.20% | | | |
| Colls/W Invst LLC/ C/O Walgreens Co | 4,925,000.00 | 9 | 0.19% | | | |
| 600 Cuthbert LLC | 4,615,800.00 | 10 | 0.18% | | | |
| St. Joseph the Worker Parish | | | | 26,147,200.00 | 2 | |
| Rohrer Tower | | | | 18,664,000.00 | 3 | 1.48% |
| National Church Residences of Haddon Township | | | | 5,957,600.00 | 7 | 0.47% |
| Lawland Associates | | | | 5,300,000.00 | 8 | 0.42% |
| Venice Realty LLC | | | | 3,684,200.00 | 9 | 0.29% |
| Total | \$ 260,377,300.00 | | 10.02% | \$ 143,872,000.00 | | 9.07% |

Source: Municipal Tax Assessor

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
Unaudited

| Fiscal Year Ended <u>June 30.</u> | School District Taxes Levied for the <u>Fiscal Year</u> | Collected within the Fiscal Year of the <u>the Levy</u> ⁽¹⁾ | | <u>Collections in Subsequent Years</u> |
|---|--|---|------------------------------|--|
| | | <u>Amount</u> | Percentage <u>of Levy</u> | |
| 2025 | \$ 28,343,088.00 | \$ 28,343,088.00 | 100.00% | - |
| 2024 | 27,796,497.00 | 27,796,497.00 | 100.00% | - |
| 2023 | 27,296,585.00 | 27,296,585.00 | 100.00% | - |
| 2022 | 27,172,421.00 | 27,172,421.00 | 100.00% | - |
| 2021 | 26,716,535.00 | 26,716,535.00 | 100.00% | - |
| 2020 | 26,362,661.00 | 24,165,773.00 | 91.67% | \$ 2,196,888.00 |
| 2019 | 25,801,266.00 | 25,801,266.00 | 100.00% | - |
| 2018 | 25,357,356.00 | 25,357,356.00 | 100.00% | - |
| 2017 | 24,722,408.00 | 22,662,207.00 | 91.67% | 2,060,201.00 |
| 2016 | 24,232,031.00 | 24,232,031.00 | 100.00% | - |

⁽¹⁾ School District 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 or certified prior to the end of the school year.

Source: School District records.

Debt Capacity Information

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

| Fiscal Year Ended <u>June 30,</u> | Governmental <u>Activities</u> | | Business-Type <u>Activities</u> ⁽²⁾ | Total <u>School District</u> | Percentage of Personal <u>Income</u> ⁽³⁾ | <u>Per Capita</u> ⁽⁴⁾ |
|---|--|---|---|---------------------------------|---|----------------------------------|
| | General Obligation <u>Bonds</u> ⁽¹⁾ | Financed <u>Purchases</u> ⁽¹⁾ | | | | |
| 2025 | \$ 53,982,000.00 | \$ 1,091,861.42 | - | \$ 55,073,861.42 | * | * |
| 2024 | 24,648,000.00 | 1,509,121.71 | - | 26,157,121.71 | * | \$ 1,675.45 |
| 2023 | 25,873,000.00 | 184,363.86 | - | 26,057,363.86 | 2.59% | 1,685.36 |
| 2022 | 27,073,000.00 | 275,730.63 | - | 27,348,730.63 | 2.86% | 1,775.78 |
| 2021 | 28,628,000.00 | 230,603.19 | - | 28,858,603.19 | 3.07% | 1,878.82 |
| 2020 | 30,163,000.00 | 123,612.55 | - | 30,286,612.55 | 3.68% | 2,087.58 |
| 2019 | 31,658,000.00 | - | - | 31,658,000.00 | 4.07% | 2,177.00 |
| 2018 | 33,133,000.00 | - | - | 33,133,000.00 | 4.41% | 2,275.31 |
| 2017 | 34,583,000.00 | - | - | 34,583,000.00 | 4.76% | 2,375.21 |
| 2016 | 36,013,000.00 | - | - | 36,013,000.00 | 5.11% | 2,472.23 |

Sources:

⁽¹⁾ School District records

⁽²⁾ No outstanding debt exists for business-type activities.

⁽³⁾ Personal income has been estimated based upon the municipal population and per capita.

⁽⁴⁾ Per Capita calculation based upon population information provided by the New Jersey Department of Labor and Workforce Development.

* information not available

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
Unaudited

| Fiscal Year Ended <u>June 30.</u> | General Bonded Debt Outstanding | | | Percentage of Net Assessed Valuation <u>Taxable</u> ⁽²⁾ | <u>Per Capita</u> ⁽³⁾ |
|---|---------------------------------------|-------------------|---|---|----------------------------------|
| | General Obligation <u>Bonds</u> | <u>Deductions</u> | Net General Bonded Debt <u>Outstanding</u> ⁽¹⁾ | | |
| 2025 | \$ 53,982,000.00 | - | \$ 53,982,000.00 | 2.08% | * |
| 2024 | 24,648,000.00 | - | 24,648,000.00 | 1.88% | \$ 1,578.79 |
| 2023 | 25,873,000.00 | - | 25,873,000.00 | 1.99% | 1,673.44 |
| 2022 | 27,073,000.00 | - | 27,073,000.00 | 2.09% | 1,757.87 |
| 2021 | 28,628,000.00 | - | 28,628,000.00 | 2.23% | 1,863.80 |
| 2020 | 30,163,000.00 | - | 30,163,000.00 | 2.36% | 2,079.06 |
| 2019 | 31,658,000.00 | - | 31,658,000.00 | 2.49% | 2,177.00 |
| 2018 | 33,133,000.00 | - | 33,133,000.00 | 2.62% | 2,275.31 |
| 2017 | 34,583,000.00 | - | 34,583,000.00 | 2.75% | 2,375.21 |
| 2016 | 36,013,000.00 | - | 36,013,000.00 | 2.87% | 2,472.23 |

Sources:

⁽¹⁾ *School District records*

⁽²⁾ *Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation.*

⁽³⁾ *Per Capita calculation based upon population information provided by the New Jersey Department of Labor and Workforce Development.*

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2024
Unaudited

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Statutory Net Debt Outstanding</u> | <u>Net Debt Outstanding Allocated to Haddon Township</u> |
|--|--------------------------|--------------------------------------|---|--|
| Municipal Debt: ⁽¹⁾ | | | | |
| Township of Haddon School District | \$ 23,398,000.00 | \$ 23,398,000.00 | | |
| Self-Liquidating Purposes | 13,585,360.01 | 13,585,360.01 | | |
| Municipal General Obligations | <u>25,562,003.47</u> | | <u>\$ 25,562,003.47</u> | <u>\$ 25,562,003.47</u> |
| | <u>62,545,363.48</u> | <u>36,983,360.01</u> | <u>25,562,003.47</u> | <u>25,562,003.47</u> |
| Overlapping Debt Apportioned to the Municipality: | | | | |
| County of Camden: ⁽²⁾ | | | | |
| General: | | | | |
| Bonds | 61,099,583.00 | 38,846,103.00 ⁽³⁾ | 22,253,480.00 | 791,499.91 ⁽⁵⁾ |
| Notes | 12,980,000.00 | | 12,980,000.00 | 461,665.72 ⁽⁵⁾ |
| Loan Agreements | 307,080,000.00 | | 307,080,000.00 | 10,922,057.63 ⁽⁵⁾ |
| Bonds Issued by Other Public Bodies | | | | |
| Guaranteed by the County | <u>220,129,800.00</u> | <u>220,129,800.00</u> ⁽⁴⁾ | | |
| | <u>601,289,383.00</u> | <u>258,975,903.00</u> | <u>342,313,480.00</u> | <u>12,175,223.25</u> |
| | <u>\$ 663,834,746.48</u> | <u>\$ 295,959,263.01</u> | <u>\$ 367,875,483.47</u> | <u>\$ 37,737,226.72</u> |

Sources:

⁽¹⁾ 2024 Annual Debt Statement - Haddon Township

⁽²⁾ County of Camden

⁽³⁾ includes reserve for payment of bonds, other accounts receivable, and general obligation pension refunding bonds

⁽⁴⁾ deductible in accordance with N.J.S. 40:37A-80

⁽⁵⁾ Such debt is allocated as a proportion of the Borough's share of the total 2024 Equalized Value, which is 3.56%.
 The source for this computation was the 2024 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Calendar Year 2024

Average Equalized Valuation Basis: ⁽¹⁾

| | |
|--|--------------------------------------|
| 2024 | \$ 1,900,483,985.67 |
| 2023 | 1,880,026,434.00 |
| 2022 | <u>1,715,110,655.00</u> |
| | [A] \$ 5,495,621,074.67 |
| | [A/3] \$ 1,831,873,691.56 |
| Debt limit (4% of average equalization value) ⁽²⁾ | [B] \$ 73,274,947.66 |
| Total Net Debt Applicable to Limit | [C] <u>53,982,000.00</u> |
| Legal Debt Margin | [B-C] \$ <u>19,292,947.66</u> |

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | <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> |
| Debt limit | \$ 73,274,947.66 | \$ 68,174,186.43 | \$ 62,627,476.29 | \$ 59,016,893.87 | \$ 57,252,344.52 | \$ 55,799,325.36 | \$ 54,390,369.43 | \$ 54,390,369.43 | \$ 52,952,318.48 | \$ 52,855,289.04 |
| Total net debt applicable to limit ⁽³⁾ | <u>53,982,000.00</u> | <u>24,648,000.00</u> | <u>25,873,000.00</u> | <u>27,073,000.00</u> | <u>28,628,000.00</u> | <u>30,163,000.00</u> | <u>31,658,000.00</u> | <u>33,133,000.00</u> | <u>34,583,000.00</u> | <u>36,013,000.00</u> |
| Legal debt margin | <u>\$ 19,292,947.66</u> | <u>\$ 43,526,186.43</u> | <u>\$ 36,754,476.29</u> | <u>\$ 31,943,893.87</u> | <u>\$ 28,624,344.52</u> | <u>\$ 25,636,325.36</u> | <u>\$ 22,732,369.43</u> | <u>\$ 21,257,369.43</u> | <u>\$ 18,369,318.48</u> | <u>\$ 16,842,289.04</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 73.67% | 36.15% | 41.31% | 45.87% | 50.00% | 54.06% | 58.21% | 60.92% | 65.31% | 68.14% |

Sources:

⁽¹⁾ Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

⁽²⁾ Limit set by N.J.S.A. 18A:24-19 for a K through 12 district.

⁽³⁾ School District records

Demographic and Economic Information

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

| Fiscal Year Ended <u>June 30,</u> | <u>Population</u> ⁽¹⁾ | <u>Personal Income</u> ⁽²⁾ | <u>Per Capita Personal Income</u> ⁽³⁾ | <u>Unemployment Rate</u> ⁽⁴⁾ |
|--|----------------------------------|---|--|---|
| 2024 | 15,612 | * | * | 3.4% |
| 2023 | 15,461 | \$ 1,004,764,007.00 | \$ 64,987.00 | 3.2% |
| 2022 | 15,401 | 954,692,589.00 | 61,989.00 | 2.7% |
| 2021 | 15,360 | 939,386,880.00 | 61,158.00 | 4.1% |
| 2020 | 14,508 | 822,995,316.00 | 56,727.00 | 6.6% |
| 2019 | 14,542 | 776,906,350.00 | 53,425.00 | 2.5% |
| 2018 | 14,562 | 751,573,944.00 | 51,612.00 | 2.9% |
| 2017 | 14,560 | 726,311,040.00 | 49,884.00 | 3.2% |
| 2016 | 14,567 | 705,115,635.00 | 48,405.00 | 3.4% |
| 2015 | 14,437 | 675,954,777.00 | 46,821.00 | 4.0% |

Sources:

⁽¹⁾ *Annual Estimates of the Resident Population for Municipalities in New Jersey, by County: April 1, 2015 to July 1, 2024.*

⁽²⁾ *Personal income has been estimated based upon the municipal population and per capita personal income.*

⁽³⁾ *Regional Economic Information System, Bureau of Economic Analysis, February 2025.*

⁽⁴⁾ *New Jersey Department of Labor and Workforce Development - Unemployment Statistics: April 29, 2025*

* *information not available*

TOWNSHIP OF HADDON SCHOOL DISTRICT
Principal Non-Governmental Employers
Current Year and Nine Years Ago
Unaudited

| 2025 | | | | 2016 | | |
|-----------------|------------------|-------------|---|------------------|-------------|---|
| <u>Employer</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Municipal Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Municipal Employment</u> |

Source: Individual employers.

Information regarding the ten principal non-governmental employers for 2025 and 2016 could not be accumulated by the School District as a result of not having a source from which to obtain such information.

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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Full-Time Equivalent School District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

| <u>Function / Program</u> | Fiscal Year Ended June 30, | | | | | | | | | |
|--|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | <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> |
| Instruction: | | | | | | | | | | |
| Regular Instruction | 132.0 | 131.0 | 125.0 | 128.2 | 129.0 | 128.0 | 128.0 | 128.0 | 128.0 | 128.0 |
| Special Education Instruction | 91.3 | 91.5 | 88.0 | 83.1 | 83.0 | 82.0 | 82.0 | 61.0 | 62.0 | 58.0 |
| Support Services: | | | | | | | | | | |
| Student and Instruction Related Services | 34.0 | 34.0 | 40.0 | 34.0 | 33.0 | 33.0 | 33.0 | 31.0 | 31.0 | 31.0 |
| General Administrative Services | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| School Administrative Services | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 |
| Business Administrative Services | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Plant Operations and Maintenance | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 31.0 | 31.2 | 30.5 | 30.5 |
| Pupil Transportation | 19.8 | 19.8 | 19.0 | 19.8 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 17.0 |
| Total | 331.1 | 330.3 | 326.0 | 319.1 | 317.5 | 315.5 | 317.5 | 294.7 | 295.0 | 289.5 |

Source: School District records

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

| Fiscal Year Ended <u>June 30,</u> | <u>Enrollment</u> | <u>Operating Expenditures *</u> | <u>Cost Per Pupil</u> | <u>Percentage Change</u> | <u>Teaching Staff (Certified)</u> | <u>Pupil / Teacher Ratio Elementary</u> | <u>Pupil / Teacher Ratio Middle School</u> | <u>Pupil / Teacher Ratio High School</u> | <u>Average Daily Enrollment (ADE)</u> | <u>Average Daily Attendance (ADA)</u> | <u>% Change in Average Daily Enrollment</u> | <u>Student Attendance Percentage</u> |
|---|-------------------|-------------------------------------|---------------------------|------------------------------|---|---|--|--|---|---|---|--|
| 2025 | 2,116 | \$ 50,621,201.10 | \$ 23,923.06 | 1.47% | 157 | 1:14.9 | 1:19.5 | 1:16.1 | 2,123.0 | 2,015.0 | -3.24% | 94.91% |
| 2024 | 2,100 | 49,512,522.66 | 23,577.39 | 2.93% | 157 | 1:13.9 | 1:18.0 | 1:17.6 | 2,194.0 | 2,080.0 | 6.09% | 94.80% |
| 2023 | 2,059 | 47,165,039.27 | 22,906.77 | 2.90% | 197 | 1:12.0 | 1:19.0 | 1:17.0 | 2,068.0 | 1,947.0 | 0.53% | 94.15% |
| 2022 | 2,008 | 44,701,214.29 | 22,261.56 | -7.76% | 150 | 1:17.0 | 1:15.5 | 1:14.0 | 2,057.0 | 1,935.0 | 3.89% | 94.07% |
| 2021 | 1,984 | 47,882,784.58 | 24,134.47 | 14.89% | 150 | 1:15.6 | 1:13.3 | 1:17.6 | 1,980.0 | 1,915.0 | -4.99% | 96.72% |
| 2020 | 2,065 | 43,377,917.00 | 21,006.26 | -6.08% | 150 | 1:15.6 | 1:13.3 | 1:17.6 | 2,084.0 | 2,009.0 | 0.43% | 96.40% |
| 2019 | 2,060 | 46,071,804.98 | 22,364.95 | -6.42% | 150 | 1:16.9 | 1:15.6 | 1:17.6 | 2,075.0 | 1,977.0 | 3.13% | 95.28% |
| 2018 | 2,022 | 48,323,588.00 | 23,898.91 | 9.30% | 149 | 1:16.8 | 1:14.8 | 1:13.1 | 2,012.0 | 1,905.0 | -2.42% | 94.68% |
| 2017 | 2,054 | 44,909,812.00 | 21,864.56 | 12.80% | 149 | 1:17.7 | 1:15.8 | 1:12.4 | 2,062.0 | 1,942.0 | -1.06% | 94.18% |
| 2016 | 2,079 | 40,296,620.00 | 19,382.69 | 10.25% | 147 | 1:17.8 | 1:15.9 | 1:12.5 | 2,084.0 | 1,967.0 | -2.13% | 94.39% |

Sources: School District records

* operating expenditures equal total expenditures less capital outlay, transfer to charter school, and debt service.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|--|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| School District Building: | | | | | | | | | | |
| Elementary | | | | | | | | | | |
| Thomas Edison (1930, 2002) | | | | | | | | | | |
| Square Feet | 26,597 | 26,597 | 26,597 | 26,597 | 26,597 | 26,597 | 26,597 | 26,597 | 26,597 | 26,597 |
| Functional Capacity (students) | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 |
| Enrollment | 157 | 142 | 140 | 130 | 142 | 142 | 153 | 144 | 144 | 156 |
| Clyde Jennings (1924, 2002) | | | | | | | | | | |
| Square Feet | 23,922 | 23,922 | 23,922 | 23,922 | 23,922 | 23,922 | 23,922 | 23,922 | 23,922 | 23,922 |
| Functional Capacity (students) | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 |
| Enrollment | 122 | 126 | 127 | 115 | 110 | 110 | 108 | 115 | 118 | 116 |
| Stoy (1928, 1955) | | | | | | | | | | |
| Square Feet | 28,044 | 28,044 | 28,044 | 28,044 | 28,044 | 28,044 | 28,044 | 28,044 | 28,044 | 22,345 |
| Functional Capacity (students) | 208 | 208 | 208 | 208 | 208 | 208 | 208 | 208 | 208 | 186 |
| Enrollment | 184 | 187 | 166 | 157 | 150 | 150 | 171 | 156 | 150 | 155 |
| Strawbridge (1926, 1955) | | | | | | | | | | |
| Square Feet | 33,008 | 33,008 | 33,008 | 33,008 | 33,008 | 33,008 | 33,008 | 33,008 | 33,008 | 26,983 |
| Functional Capacity (students) | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 |
| Enrollment | 248 | 227 | 236 | 212 | 201 | 201 | 197 | 216 | 199 | 210 |
| Van Sciver | | | | | | | | | | |
| Square Feet | 47,790 | 47,790 | 47,790 | 47,790 | 47,790 | 47,790 | 47,790 | 47,790 | 47,790 | 34,782 |
| Functional Capacity (students) | 374 | 374 | 374 | 374 | 374 | 374 | 374 | 374 | 374 | 326 |
| Enrollment | 354 | 345 | 335 | 331 | 346 | 346 | 332 | 322 | 359 | 353 |
| Middle School | | | | | | | | | | |
| Wm. G. Rohrer (2003) | | | | | | | | | | |
| Square Feet | 46,454 | 46,454 | 46,454 | 46,454 | 46,454 | 46,454 | 46,454 | 46,454 | 46,454 | 46,454 |
| Functional Capacity (students) | 476 | 476 | 476 | 476 | 476 | 476 | 476 | 476 | 476 | 476 |
| Enrollment | 414 | 416 | 440 | 473 | 465 | 465 | 471 | 457 | 476 | 469 |
| High School | | | | | | | | | | |
| Haddon Twp. High School (1951, 1964, 1994) | | | | | | | | | | |
| Square Feet | 184,877 | 184,877 | 184,877 | 184,877 | 184,877 | 184,877 | 184,877 | 184,877 | 184,877 | 184,877 |
| Functional Capacity (students) | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 |
| Enrollment | 609 | 627 | 628 | 614 | 634 | 634 | 632 | 612 | 608 | 620 |
| Other: | | | | | | | | | | |
| Administration Building | | | | | | | | | | |
| Square Feet | 2,910 | 2,910 | 2,910 | 2,910 | 2,910 | 2,910 | 2,910 | 2,910 | 2,910 | 2,910 |
| Number of Schools at June 30, 2025 | | | | | | | | | | |
| Elementary = 5 | | | | | | | | | | |
| Middle School = 1 | | | | | | | | | | |
| High School = 1 | | | | | | | | | | |
| Other = 1 | | | | | | | | | | |

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October School District count. Function Capacity is based on the F.E.S. Formula utilizing New Jersey Department of Education guidelines.

Source: School District records.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Schedule of Required Maintenance for School Facilities
 Last Ten Fiscal Years
Unaudited

Undistributed Expenditures - Required Maintenance for School Facilities

| 11-000-261-xxx | | Fiscal Year Ended June 30, | | | | | | | | | |
|-------------------------------------|---------------------|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | | <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> |
| <u>* School Facilities</u> | <u>School # (s)</u> | | | | | | | | | | |
| Haddon Township High School | 050 | \$ 262,256.56 | \$ 265,465.98 | \$ 194,443.49 | \$ 279,377.84 | \$ 192,233.48 | \$ 186,849.15 | \$ 201,098.42 | \$ 219,792.05 | \$ 199,265.00 | \$ 221,768.34 |
| Thomas A. Edison Elementary School | 060 | 34,068.00 | 27,420.00 | 27,973.27 | 31,675.00 | 27,655.18 | 26,880.72 | 28,930.67 | 31,619.99 | 22,993.00 | 25,588.98 |
| Clyde S. Jennings Elementary School | 070 | 37,435.00 | 30,129.00 | 25,159.85 | 34,805.00 | 24,873.76 | 24,177.18 | 26,020.96 | 28,439.80 | 22,993.00 | 25,588.98 |
| James Stoy Elementary School | 080 | 39,173.00 | 31,529.00 | 29,495.14 | 36,421.00 | 29,159.75 | 28,343.16 | 30,504.63 | 33,340.26 | 26,824.00 | 29,852.98 |
| Strawbridge Elementary School | 090 | 31,986.00 | 25,744.00 | 34,716.00 | 29,739.00 | 34,321.25 | 33,360.11 | 35,904.18 | 39,241.74 | 19,160.00 | 21,323.98 |
| Van Sciver Elementary School | 100 | 74,658.00 | 60,089.00 | 50,262.90 | 69,414.00 | 49,691.36 | 48,299.79 | 51,983.17 | 56,815.41 | 49,817.00 | 55,441.96 |
| Wm. G. Rohrer Middle School | 110 | 64,163.00 | 82,522.00 | 48,857.77 | 59,655.00 | 48,302.21 | 46,949.54 | 50,529.95 | 55,227.10 | 42,152.00 | 46,911.97 |
| Total School Facilities | | <u>\$ 543,739.56</u> | <u>\$ 522,898.98</u> | <u>\$ 432,769.04</u> | <u>\$ 541,086.84</u> | <u>\$ 406,237.00</u> | <u>\$ 394,859.65</u> | <u>\$ 424,971.97</u> | <u>\$ 464,476.35</u> | <u>\$ 383,204.00</u> | <u>\$ 426,477.19</u> |

* School facilities as defined under EFCFA (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3).

Source: School District records.

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2025
Unaudited

| | <u>Coverage</u> | <u>Deductible</u> |
|--|-----------------------|-------------------|
| Burlington County Insurance Pool Joint Insurance Fund: | | |
| Property and Auto Physical Damage ⁽¹⁾ | \$ 175,000,000.00 | \$ 500.00 |
| Boiler and Machinery ⁽¹⁾ | 125,000,000.00 | 1,000.00 |
| Crime ⁽¹⁾ | 500,000.00 | 500.00 |
| Excess Liability ⁽¹⁾ | Included in GL/AL/ELL | - |
| General and Auto Liability ⁽²⁾ | 27,000,000.00 | - |
| Workers Compensation ⁽⁴⁾ | Statutory | - |
| Legal Liability ⁽³⁾ : | | |
| Educator's Legal Liability Policy | 27,000,000.00 | |
| Pollution Legal Liability | 3,000,000.00 * | 25,000.00 **** |
| Cyber Liability ⁽³⁾ | 2,000,000.00 ** | 100,000.00 ***** |
| Crisis Protection & Disaster Management ⁽³⁾ | 1,000,000.00 *** | 10,000.00 |
| Zurich American Insurance Company: | | |
| Student Accident ⁽¹⁾ : | | |
| Students and Volunteers | 1,000,000.00 | |
| Student Athletes | 5,000,000.00 | |

(1) Limit each occurrence, no annual aggregate

(2) Limit each occurrence, annual unaggregated

(3) Per claim, annual aggregate

(4) Each accident

*\$6,000,000.00 Aggregate Limit per JIF (BCIP) / \$12,000,000.00 Aggregate (SPELLJIF)

**\$15,000,000.00 Aggregate Limit (SPELLJIF)

***\$2,000,000.00 Aggregate per JIF (BCIP)

****Mold Deductible: \$50,000.00 to \$250,000.00 depending on age of building for each mold incident.

*****\$100,000.00 Deductible with 50% co-insurance.

Source: School District records

SINGLE AUDIT SECTION

Exhibit K-1

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon School District
Westmont, New Jersey 08108

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Haddon School District, in the County of Camden, 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, and have issued our report thereon dated January 22, 2026. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle and an additional paragraph on the restatement of the prior period financial statements resulting from the new accounting principle. Also, our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the recording of previously unrecorded revenue in the after school care fund.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Haddon 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 Township of Haddon 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

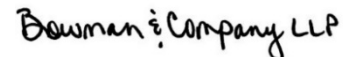
Report on Compliance and Other Matters

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

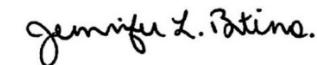
Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Jennifer L. Bertino
Certified Public Accountant
Public School Accountant No. CS 00253000

Voorhees, New Jersey
January 22, 2026

Exhibit K-2

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon School District
Westmont, New Jersey 08108

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Township of Haddon School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2025. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the Township of Haddon School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, 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 and 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 and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Jennifer L. Bertino.

Jennifer L. Bertino
Certified Public Accountant
Public School Accountant No. CS 00253000

Voorhees, New Jersey
January 22, 2026

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2025

| Federal Grantor / Pass-through Grantor / Program or Cluster Title | Federal Assistance Listing Number | Additional Award Identification | Federal FAIN Number | Pass-Through Entity Identifying Number | Program or Award Amount | Grant Period | | Balance June 30, 2024 |
|---|-----------------------------------|---------------------------------|---------------------|--|-------------------------|--------------|----------|-----------------------|
| | | | | | | From | To | |
| General Fund: | | | | | | | | |
| U.S. Department of Health and Human Services: | | | | | | | | |
| Passed-through State Department of Health and Human Services: | | | | | | | | |
| Medical Assistance Program (Medicaid) Cluster SEMI | 93.778 | | 2005NJ5MAP | Unknown | \$ 46,480.90 | 07/01/23 | 06/30/24 | \$ (5,662.61) |
| Medical Assistance Program (Medicaid) Cluster SEMI | 93.778 | | 2005NJ5MAP | Unknown | 30,476.33 | 07/01/24 | 06/30/25 | |
| Total Medical Assistance Program (Medicaid) Cluster | | | | | | | | <u>(5,662.61)</u> |
| Total General Fund | | | | | | | | |
| (5,662.61) | | | | | | | | |
| Special Revenue Fund: | | | | | | | | |
| U.S. Department of the Treasury: | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | |
| COVID ARP State and Local Fiscal Recovery Fund: | | | | | | | | |
| Additional or Compensatory Special Education and Related Services for Students with Disabilities (ACSERS) | | | | | | | | |
| | 21.027 | COVID-19 | SLFRFDOE1SES | Unknown | 47,333.00 | 07/01/23 | 06/30/24 | <u>(47,333.00)</u> |
| Total U.S. Department of the Treasury | | | | | | | | |
| (47,333.00) | | | | | | | | |
| U.S. Department of Education: | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | |
| E.S.S.A.: | | | | | | | | |
| Title I Grants to Local Educational Agencies | 84.010 | | S010A240030 | NCLB189024 | 279,741.00 | 07/01/23 | 09/30/24 | (75,398.64) |
| Title I Grants to Local Educational Agencies | 84.010 | | S010A250030 | NCLB189025 | 283,359.00 | 07/01/24 | 09/30/25 | |
| Total Title I Grants to Local Educational Agencies | | | | | | | | <u>(75,398.64)</u> |
| Supporting Effective Instruction State Grants (Title II, Part A) ESSA | 84.367 | 84.367A | S367A240029 | NCLB189024 | 93,009.00 | 07/01/23 | 09/30/24 | (24,427.12) |
| Supporting Effective Instruction State Grants (Title II, Part A) ESSA | 84.367 | 84.367A | S367A250029 | NCLB189025 | 90,045.00 | 07/01/24 | 09/30/25 | |
| Total Supporting Effective Instruction State Grants | | | | | | | | <u>(24,427.12)</u> |
| English Language Acquisition (Title III Immigrant) | 84.365 | | S365A250030 | NCLB189025 | 1,549.00 | 07/01/24 | 09/30/25 | - |
| Title IV, Student Support and Academic Enrichment (ESSA) | 84.424 | | S424A250031 | NCLB189025 | 33,944.00 | 07/01/24 | 09/30/25 | - |
| Special Education Cluster (IDEA): | | | | | | | | |
| Special Education Grants to States | 84.027 | 84.027A | H027A240100 | IDEA189024 | 841,165.00 | 07/01/23 | 09/30/24 | (106,265.43) |
| Special Education Grants to States | 84.027 | 84.027A | H027A250100 | IDEA189025 | 811,789.00 | 07/01/24 | 09/30/25 | |
| Total Special Education Grants to States | | | | | | | | <u>(106,265.43)</u> |
| Special Education Preschool Grants | 84.173 | | H173A240114 | IDEA189024 | 31,615.00 | 07/01/23 | 09/30/24 | (10,992.00) |
| Special Education Preschool Grants | 84.173 | | H173A250114 | IDEA189025 | 19,718.00 | 07/01/24 | 09/30/25 | |
| Total Special Education Preschool Grants | | | | | | | | <u>(10,992.00)</u> |
| Total Special Education Cluster (IDEA) | | | | | | | | |
| (117,257.43) | | | | | | | | |
| Education Stabilization Fund: | | | | | | | | |
| Accelerated Learning Coach and Educator Support | 84.425 | COVID-19, 84.425U | S425U210027 | Unknown | 163,528.00 | 03/13/20 | 09/30/24 | (21,617.00) |
| Evidence Based Summer Learning and Enrichment | 84.425 | COVID-19, 84.425U | S425U210027 | Unknown | 40,000.00 | 03/13/20 | 09/30/24 | (360.00) |
| Evidence Based Comprehensive Beyond the School Day | 84.425 | COVID-19, 84.425U | S425U210027 | Unknown | 40,000.00 | 03/13/20 | 09/30/24 | (39,957.02) |
| NJSS Mental Health Support Staffing | 84.425 | COVID-19, 84.425U | S425U210027 | Unknown | 45,000.00 | 03/13/20 | 09/30/24 | (23,615.00) |
| NJ High Impact Tutoring Competitive Grant | 84.425 | COVID-19, 84.425V | S425V210031 | Unknown | 115,000.00 | 10/11/23 | 08/31/24 | (23,000.00) |
| Total Education Stabilization Fund | | | | | | | | <u>(108,549.02)</u> |
| Total U.S. Department of Education | | | | | | | | |
| (325,632.21) | | | | | | | | |
| Total Special Revenue Fund | | | | | | | | |
| (372,965.21) | | | | | | | | |
| Enterprise Fund: | | | | | | | | |
| U.S. Department of Agriculture: | | | | | | | | |
| Passed-through State Department of Agriculture: | | | | | | | | |
| Child Nutrition Cluster: | | | | | | | | |
| School Breakfast Program | 10.553 | | 241NJ304N1099 | Unknown | 18,079.36 | 10/01/23 | 09/30/24 | (4,033.14) |
| School Breakfast Program | 10.553 | | 251NJ304N1099 | Unknown | 23,943.81 | 10/01/24 | 09/30/25 | |
| Total School Breakfast Program | | | | | | | | <u>(4,033.14)</u> |
| National School Lunch Program Commodities (Noncash) | 10.555 | | 251NJ304N1099 | Unknown | 49,210.68 | 10/01/24 | 09/30/25 | |
| National School Lunch Program | 10.555 | | 241NJ304N1099 | Unknown | 128,232.20 | 10/01/23 | 09/30/24 | (22,853.35) |
| National School Lunch Program | 10.555 | | 251NJ304N1099 | Unknown | 153,621.54 | 10/01/24 | 09/30/25 | |
| HHFKA-Performance Based | 10.555 | | 241NJ304N1099 | Unknown | 7,056.64 | 10/01/23 | 09/30/24 | (1,231.92) |
| HHFKA-Performance Based | 10.555 | | 251NJ304N1099 | Unknown | 8,618.13 | 10/01/24 | 09/30/25 | |
| Snacks | 10.555 | | 241NJ304N1099 | Unknown | 5,679.73 | 10/01/23 | 09/30/24 | (970.11) |
| Snacks | 10.555 | | 251NJ304N1199 | Unknown | 7,243.26 | 10/01/24 | 09/30/25 | |
| Total National School Lunch Program | | | | | | | | <u>(25,055.38)</u> |
| Total Child Nutrition Cluster | | | | | | | | |
| (29,088.52) | | | | | | | | |

| Cash Received | Budgetary Expenditures | | | Passed-Through to Subrecipients | Adjustments ^(a) | Repayment of Prior Years' Balances | Balance June 30, 2025 | | |
|---------------|------------------------|--------------|------------------------------|---------------------------------|----------------------------|------------------------------------|-----------------------|------------------|----------------|
| | Pass-Through Funds | Direct Funds | Total Budgetary Expenditures | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor |
| \$ 5,662.60 | | | | | \$ 0.01 | | | | |
| 30,476.33 | \$ (30,476.33) | | \$ (30,476.33) | | | | | | |
| 36,138.93 | (30,476.33) | - | (30,476.33) | - | 0.01 | - | - | - | - |
| 36,138.93 | (30,476.33) | - | (30,476.33) | - | 0.01 | - | - | - | - |
| 47,333.00 | | | | | | | | | |
| 47,333.00 | - | - | - | - | - | - | - | - | - |
| 110,157.00 | (34,758.36) | | (34,758.36) | | | | | | |
| 152,546.00 | (244,107.42) | | (244,107.42) | | | | \$ (91,561.42) | | |
| 262,703.00 | (278,865.78) | - | (278,865.78) | - | - | - | (91,561.42) | - | - |
| 24,427.00 | | | | | 0.12 | | | | |
| 67,833.00 | (88,542.33) | | (88,542.33) | | | | (20,709.33) | | |
| 92,260.00 | (88,542.33) | - | (88,542.33) | - | 0.12 | - | (20,709.33) | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | (22,413.00) | - | (22,413.00) | - | - | - | (22,413.00) | - | - |
| 106,265.00 | | | | | 0.43 | | | | |
| 622,083.00 | (706,626.42) | | (706,626.42) | | | | (84,543.42) | | |
| 728,348.00 | (706,626.42) | - | (706,626.42) | - | 0.43 | - | (84,543.42) | - | - |
| 10,992.00 | | | | | | | | | |
| 19,718.00 | (19,718.00) | | (19,718.00) | | | | | | |
| 30,710.00 | (19,718.00) | - | (19,718.00) | - | - | - | - | - | - |
| 759,058.00 | (726,344.42) | - | (726,344.42) | - | 0.43 | - | (84,543.42) | - | - |
| 21,617.00 | | | | | | | | | |
| 360.00 | | | | | | | | | |
| 40,000.00 | | | | | (42.98) | | | | |
| 23,615.00 | | | | | | | (23,000.00) | | |
| 85,592.00 | - | - | - | - | (42.98) | - | (23,000.00) | - | - |
| 1,199,613.00 | (1,116,165.53) | - | (1,116,165.53) | - | (42.43) | - | (242,227.17) | - | - |
| 1,246,946.00 | (1,116,165.53) | - | (1,116,165.53) | - | (42.43) | - | (242,227.17) | - | - |
| 4,033.14 | | | | | | | | | |
| 22,225.41 | (23,943.81) | | (23,943.81) | | | | (1,718.40) | | |
| 26,258.55 | (23,943.81) | - | (23,943.81) | - | - | - | (1,718.40) | - | - |
| 49,210.68 | (49,210.68) | | (49,210.68) | | | | | | |
| 22,853.35 | | | | | | | | | |
| 145,177.60 | (153,621.54) | | (153,621.54) | | | | (8,443.94) | | |
| 1,231.92 | | | | | | | | | |
| 8,139.42 | (8,618.13) | | (8,618.13) | | | | (478.71) | | |
| 970.11 | | | | | | | | | |
| 6,717.05 | (7,243.26) | | (7,243.26) | | | | (526.21) | | |
| 234,300.13 | (218,693.61) | - | (218,693.61) | - | - | - | (9,448.86) | - | - |
| 260,558.68 | (242,637.42) | - | (242,637.42) | - | - | - | (11,167.26) | - | - |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2025

| Federal Grantor / Pass-through Grantor / Program or Cluster Title | Federal Assistance Listing Number | Additional Award Identification | Federal FAIN Number | Pass-Through Entity Identifying Number | Program or Award Amount | Grant Period From | To | Balance June 30, 2024 |
|--|--|---------------------------------------|---------------------------|--|-------------------------------|----------------------|----------|--------------------------|
| Enterprise Fund (Cont'd): | | | | | | | | |
| U.S. Department of Agriculture (Cont'd): | | | | | | | | |
| Passed-through State Department of Agriculture (Cont'd): | | | | | | | | |
| S-EBT Summer Electronic Benefit Transfer Program | 10.646 | | Unknown | Unknown | \$ 321.50 | 07/01/24 | 06/30/25 | - |
| Total Enterprise Fund | | | | | | | | <u>\$ (29,088.52)</u> |
| Total Federal Financial Assistance | | | | | | | | <u>\$ (407,716.34)</u> |

^(a) see note 6 to the schedules of expenditures of federal awards and state financial assistance.

The accompanying notes to financial statements and notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

| Cash Received | Budgetary Expenditures | | | Passed- Through to Subrecipients | Adjustments ^(a) | Repayment of Prior Years' Balances | Balance June 30, 2025 | | |
|------------------------|--------------------------|-----------------|------------------------------------|--|----------------------------|--|--------------------------|---------------------|-------------------|
| | Pass-Through Funds | Direct Funds | Total Budgetary Expenditures | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor |
| \$ 321.50 | \$ (321.50) | - | \$ (321.50) | - | - | - | - | - | - |
| 260,880.18 | (242,958.92) | - | (242,958.92) | - | - | - | \$ (11,167.26) | - | - |
| <u>\$ 1,543,965.11</u> | <u>\$ (1,389,600.78)</u> | <u>-</u> | <u>\$ (1,389,600.78)</u> | <u>-</u> | <u>\$ (42.42)</u> | <u>-</u> | <u>\$ (253,394.43)</u> | <u>-</u> | <u>-</u> |

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2025

| State Grantor / Program Title | Grant or State Project Number | Program or Award Amount | Grant Period | | Balance June 30, 2024 | |
|---|-------------------------------------|-------------------------------|--------------|----------|---|-------------------|
| | | | From | To | Unearned Revenue / (Accounts Receivable) | Due to Grantor |
| | | | | | | |
| General Fund: | | | | | | |
| New Jersey Department of Education: | | | | | | |
| Current Expense: | | | | | | |
| State Aid - Public: | | | | | | |
| Equalization Aid | 495-034-5120-078 | \$ 7,516,288.00 | 07/01/23 | 06/30/24 | \$ (730,722.48) | |
| Equalization Aid | 495-034-5120-078 | 6,710,202.00 | 07/01/24 | 06/30/25 | | |
| Categorical Special Education Aid | 495-034-5120-089 | 2,200,321.00 | 07/01/23 | 06/30/24 | (213,911.97) | |
| Categorical Special Education Aid | 495-034-5120-089 | 2,200,321.00 | 07/01/24 | 06/30/25 | | |
| Categorical Security Aid | 495-034-5120-084 | 242,605.00 | 07/01/23 | 06/30/24 | (23,585.70) | |
| Categorical Security Aid | 495-034-5120-084 | 242,605.00 | 07/01/24 | 06/30/25 | | |
| Stabilized School Budget Aid | 495-034-5120-169 | 362,739.00 | 07/01/24 | 06/30/25 | | |
| Total State Aid - Public | | | | | (968,220.15) | - |
| Nonpublic Transportation Aid | 495-034-5120-014 | 22,750.00 | 07/01/23 | 06/30/24 | (22,750.00) | |
| Nonpublic Transportation Aid | 495-034-5120-014 | 28,020.00 | 07/01/24 | 06/30/25 | | |
| Categorical Transportation Aid | 495-034-5120-014 | 3,722.00 | 07/01/23 | 06/30/24 | (361.85) | |
| Categorical Transportation Aid | 495-034-5120-014 | 3,722.00 | 07/01/24 | 06/30/25 | | |
| Total Categorical Transportation Aid | | | | | (23,111.85) | - |
| Menstrual Products School Reimbursement Program | 495-034-5120-168 | 3,322.00 | 07/01/24 | 06/30/25 | - | - |
| Extraordinary Aid | 495-034-5120-044 | 641,995.00 | 07/01/23 | 06/30/24 | (641,995.00) | |
| Extraordinary Aid | 495-034-5120-044 | 617,445.00 | 07/01/24 | 06/30/25 | | |
| Total Extraordinary Aid | | | | | (641,995.00) | - |
| Reimbursed TPAF Social Security Contributions | 495-034-5094-003 | 1,148,996.18 | 07/01/23 | 06/30/24 | (56,079.54) | |
| Reimbursed TPAF Social Security Contributions | 495-034-5094-003 | 1,135,351.58 | 07/01/24 | 06/30/25 | | |
| Total Reimbursed TPAF Social Security Contributions | | | | | (56,079.54) | - |
| On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical | 495-034-5094-001 | 1,636,623.00 | 07/01/24 | 06/30/25 | | |
| On-Behalf T.P.A.F. Pension Contributions - Normal Cost | 495-034-5094-002 | 5,532,489.00 | 07/01/24 | 06/30/25 | | |
| On-Behalf T.P.A.F. Non-contributory Insurance | 495-034-5094-004 | 68,533.00 | 07/01/24 | 06/30/25 | | |
| On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance | 495-034-5094-004 | 2,676.00 | 07/01/24 | 06/30/25 | | |
| Total On-Behalf TPAF Pension Contributions | | | | | - | - |
| Total General Fund | | | | | (1,689,406.54) | - |
| Special Revenue Fund: | | | | | | |
| New Jersey Department of Education: | | | | | | |
| Nonpublic Aid: | | | | | | |
| Textbook Aid | 100-034-5120-064 | 55,324.00 | 07/01/23 | 06/30/24 | | \$ 5.06 |
| Textbook Aid | 100-034-5120-064 | 53,032.00 | 07/01/24 | 06/30/25 | | |
| Total Textbook Aid | | | | | - | 5.06 |
| Auxiliary Services: | | | | | | |
| Compensatory Education | 100-034-5120-067 | 62,936.00 | 07/01/23 | 06/30/24 | | 27,785.10 |
| Compensatory Education | 100-034-5120-067 | 48,984.00 | 07/01/24 | 06/30/25 | | |
| Home Instruction | 100-034-5120-067 | 7,005.87 | 07/01/23 | 06/30/24 | (7,005.87) | |
| Total Auxiliary Services | | | | | (7,005.87) | 27,785.10 |
| Nonpublic Handicapped Aid: | | | | | | |
| Examination and Classification | 100-034-5120-066 | 98,966.00 | 07/01/23 | 06/30/24 | | 7,391.33 |
| Examination and Classification | 100-034-5120-066 | 66,951.00 | 07/01/24 | 06/30/25 | | |
| Corrective Speech | 100-034-5120-066 | 6,696.00 | 07/01/23 | 06/30/24 | | 3,813.00 |
| Corrective Speech | 100-034-5120-066 | 2,325.00 | 07/01/24 | 06/30/25 | | |
| Supplementary Instruction | 100-034-5120-066 | 97,881.00 | 07/01/23 | 06/30/24 | | 9,664.20 |
| Supplementary Instruction | 100-034-5120-066 | 97,055.00 | 07/01/24 | 06/30/25 | | |
| Total Nonpublic Handicapped Aid | | | | | - | 20,868.53 |
| Nursing Services Aid | 100-034-5120-070 | 135,980.00 | 07/01/24 | 06/30/25 | - | - |
| Technology Initiative | 100-034-5120-373 | 50,813.00 | 07/01/24 | 06/30/25 | - | - |
| Nonpublic Security Aid | 100-034-5120-509 | 200,285.00 | 07/01/22 | 06/30/23 | (57,070.00) | |
| Nonpublic Security Aid | 100-034-5120-509 | 198,235.00 | 07/01/23 | 06/30/24 | | 1,321.82 |
| Nonpublic Security Aid | 100-034-5120-509 | 214,430.00 | 07/01/24 | 06/30/25 | | |
| Total Nonpublic Security Aid | | | | | (57,070.00) | 1,321.82 |
| Total Special Revenue Fund | | | | | (64,075.87) | 49,980.51 |
| Debt Service Fund: | | | | | | |
| New Jersey Department of Education: | | | | | | |
| Debt Service Aid Type II | 495-034-5120-075 | 300,113.00 | 07/01/24 | 06/30/25 | - | - |

| Cash Received | Total Budgetary Expenditures | Passed- Through to Subrecipients | Adjustments ^(a) | Repayment of Prior Years' Balances | Balance June 30, 2025 | | | (Memo Only) | |
|------------------|------------------------------------|--|----------------------------|--|--------------------------|---------------------|-------------------|--|-------------------------------------|
| | | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor | Budgetary Receivable June 30, 2025 | Cumulative Total Expenditures |
| \$ 730,722.48 | | | | | | | | | |
| 6,066,647.40 | \$ (6,710,202.00) | | | | \$ (643,554.60) | | | \$ (643,554.60) | \$ (6,710,202.00) |
| 213,911.97 | | | | | | | | | |
| 1,989,295.06 | (2,200,321.00) | | | | (211,025.94) | | | (211,025.94) | (2,200,321.00) |
| 23,585.70 | | | | | | | | | |
| 219,337.51 | (242,605.00) | | | | (23,267.49) | | | (23,267.49) | (242,605.00) |
| 362,739.00 | (362,739.00) | | | | | | | | (362,739.00) |
| 9,606,239.12 | (9,515,867.00) | - | - | - | (877,848.03) | - | - | (877,848.03) | (9,515,867.00) |
| 22,750.00 | | | | | | | | | |
| | (28,020.00) | | | | (28,020.00) | | | | (28,020.00) |
| 361.85 | | | | | | | | | |
| 3,365.03 | (3,722.00) | | | | (356.97) | | | (356.97) | (3,722.00) |
| 26,476.88 | (31,742.00) | - | - | - | (28,376.97) | - | - | (356.97) | (31,742.00) |
| - | (3,322.00) | - | - | - | (3,322.00) | - | - | - | (3,322.00) |
| 641,995.00 | | | | | | | | | |
| | (617,445.00) | | | | (617,445.00) | | | | (617,445.00) |
| 641,995.00 | (617,445.00) | - | - | - | (617,445.00) | - | - | - | (617,445.00) |
| 56,079.54 | | | | | | | | | |
| 1,081,292.41 | (1,135,351.58) | | | | (54,059.17) | | | | (1,135,351.58) |
| 1,137,371.95 | (1,135,351.58) | - | - | - | (54,059.17) | - | - | - | (1,135,351.58) |
| 1,636,623.00 | (1,636,623.00) | | | | | | | | (1,636,623.00) |
| 5,532,489.00 | (5,532,489.00) | | | | | | | | (5,532,489.00) |
| 68,533.00 | (68,533.00) | | | | | | | | (68,533.00) |
| 2,676.00 | (2,676.00) | | | | | | | | (2,676.00) |
| 7,240,321.00 | (7,240,321.00) | - | - | - | - | - | - | - | (7,240,321.00) |
| 18,652,403.95 | (18,544,048.58) | - | - | - | (1,581,051.17) | - | - | (878,205.00) | (18,544,048.58) |
| 53,032.00 | (52,574.51) | | \$ (0.06) | \$ (5.00) | | | \$ 457.49 | | (52,574.51) |
| 53,032.00 | (52,574.51) | - | (0.06) | (5.00) | - | - | 457.49 | - | (52,574.51) |
| 48,984.00 | (45,084.00) | | (0.10) | (27,785.00) | | | 3,900.00 | | (45,084.00) |
| 7,006.00 | | | (0.13) | | | | | | |
| 55,990.00 | (45,084.00) | - | (0.23) | (27,785.00) | - | - | 3,900.00 | - | (45,084.00) |
| 66,951.00 | (40,024.89) | | (0.33) | (7,391.00) | | | 26,926.11 | | (40,024.89) |
| 2,325.00 | (2,240.00) | | | (3,813.00) | | | 85.00 | | (2,240.00) |
| 97,055.00 | (79,378.60) | | (0.20) | (9,664.00) | | | 17,676.40 | | (79,378.60) |
| 166,331.00 | (121,643.49) | - | (0.53) | (20,868.00) | - | - | 44,687.51 | - | (121,643.49) |
| 135,980.00 | (130,803.93) | - | - | - | - | - | 5,176.07 | - | (130,803.93) |
| 50,813.00 | (49,504.77) | - | - | - | - | - | 1,308.23 | - | (49,504.77) |
| 57,069.00 | | | 1.00 | | | | | | |
| 214,430.00 | (214,386.11) | | 0.18 | (1,322.00) | | | 43.89 | | (214,386.11) |
| 271,499.00 | (214,386.11) | - | 1.18 | (1,322.00) | - | - | 43.89 | - | (214,386.11) |
| 733,645.00 | (613,996.81) | - | 0.36 | (49,980.00) | - | - | 55,573.19 | - | (613,996.81) |
| 300,113.00 | (300,113.00) | - | - | - | - | - | - | - | (300,113.00) |

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2025

| State Grantor / Program Title | Grant or State Project Number | Program or Award Amount | Grant Period | | Balance June 30, 2024 | |
|---|-------------------------------------|-------------------------------|--------------|----------|---|-------------------|
| | | | From | To | Unearned Revenue / (Accounts Receivable) | Due to Grantor |
| | | | | | | |
| Enterprise Fund: | | | | | | |
| New Jersey Department of Agriculture: | | | | | | |
| State School Lunch Program | 100-010-3350-023 | \$ 11,745.79 | 07/01/23 | 06/30/24 | \$ (2,099.76) | |
| State School Lunch Program | 100-010-3350-023 | 10,343.78 | 07/01/24 | 06/30/25 | | |
| Total State School Lunch Program | | | | | (2,099.76) | - |
| State School Breakfast Program | 100-010-3350-021 | 2,379.20 | 07/01/23 | 06/30/24 | (477.50) | |
| State School Breakfast Program | 100-010-3350-021 | 2,556.98 | 07/01/24 | 06/30/25 | | |
| Total State School Breakfast Program | | | | | (477.50) | - |
| S-EBT Summer Electronic Benefit Transfer Program | 100-010-3370-003 | 321.50 | 07/01/24 | 06/30/25 | - | - |
| Total Enterprise Fund | | | | | (2,577.26) | - |
| Total State Financial Assistance | | | | | \$ (1,756,059.67) | \$ 49,980.51 |
| Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit: | | | | | | |
| General Fund (Non-Cash Assistance): | | | | | | |
| New Jersey Department of Education: | | | | | | |
| On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical | 495-034-5094-001 | 1,636,623.00 | 07/01/24 | 06/30/25 | | |
| On-Behalf T.P.A.F. Pension Contributions - Normal Cost | 495-034-5094-002 | 5,532,489.00 | 07/01/24 | 06/30/25 | | |
| On-Behalf T.P.A.F. Non-contributory Insurance | 495-034-5094-004 | 68,533.00 | 07/01/24 | 06/30/25 | | |
| On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance | 495-034-5094-004 | 2,676.00 | 07/01/24 | 06/30/25 | | |
| Total General Fund (Non-Cash Assistance) | | | | | | |
| Total State Financial Assistance subject to Major Program Determination for State Single Audit | | | | | | |

^(a) see note 6 to the schedules of expenditures of federal awards and state financial assistance.

The accompanying notes to financial statements and notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

| Cash Received | Total Budgetary Expenditures | Passed- Through to Subrecipients | Adjustments ^(a) | Repayment of Prior Years' Balances | Balance June 30, 2025 | | | (Memo Only) | |
|------------------|------------------------------------|--|----------------------------|--|--------------------------|---------------------|-------------------|--|-------------------------------------|
| | | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor | Budgetary Receivable June 30, 2025 | Cumulative Total Expenditures |
| \$ 2,099.76 | | | | | | | | | |
| 9,770.96 | \$ (10,343.78) | | | | \$ (572.82) | | | | \$ (10,343.78) |
| 11,870.72 | (10,343.78) | - | - | - | (572.82) | - | - | - | (10,343.78) |
| 477.50 | | | | | | | | | |
| 2,362.26 | (2,556.98) | | | | (194.72) | | | | (2,556.98) |
| 2,839.76 | (2,556.98) | - | - | - | (194.72) | - | - | - | (2,556.98) |
| 321.50 | (321.50) | - | - | - | - | - | - | - | (321.50) |
| 15,031.98 | (13,222.26) | - | - | - | (767.54) | - | - | - | (13,222.26) |
| \$ 19,701,193.93 | (19,471,380.65) | - | \$ 0.36 | \$ (49,980.00) | \$ (1,581,818.71) | - | \$ 55,573.19 | \$ (878,205.00) | \$ (19,471,380.65) |

1,636,623.00
5,532,489.00
68,533.00
2,676.00
7,240,321.00
\$ (12,231,059.65)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2025

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Township of Haddon School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District's 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 State of New Jersey Circular 15-08-OMB, *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, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, they are not intended to and do not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules 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. These bases of accounting are described in note 1 to the School District's basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The expenditures reflected in the schedules are presented at the federal and state participation level; thus, any matching portion is not included.

Note 3: INDIRECT COST RATE

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

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund, special revenue fund, debt service fund, and proprietary fund (enterprise fund - food service) 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 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 June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(90,377.00) for the general fund and \$3,334.00 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

The revenues reported on a GAAP basis from the basic financial statements with a reconciliation to the reported amounts on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

| <u>Fund</u> | <u>Federal</u> | <u>State</u> | <u>Total</u> |
|--|------------------------|-------------------------|-------------------------|
| General | \$ 30,476.33 | \$ 18,634,425.58 | \$ 18,664,901.91 |
| Special Revenue | 1,116,165.53 | 610,662.81 | 1,726,828.34 |
| Debt Service | | 300,113.00 | 300,113.00 |
| Food Service | <u>242,958.92</u> | <u>13,222.26</u> | <u>256,181.18</u> |
| GAAP Basis Revenues | <u>1,389,600.78</u> | <u>19,558,423.65</u> | <u>20,948,024.43</u> |
| GAAP Adjustments: | | | |
| State Aid Payments | | (90,377.00) | (90,377.00) |
| Encumbrances | | <u>3,334.00</u> | <u>3,334.00</u> |
| | <u>-</u> | <u>(87,043.00)</u> | <u>(87,043.00)</u> |
| Total Awards and Financial Assistance Expended | <u>\$ 1,389,600.78</u> | <u>\$ 19,471,380.65</u> | <u>\$ 20,860,981.43</u> |

Note 5: 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 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" on the schedules of expenditures of federal awards and state financial assistance represent rounding differences and recapture of prior year activity.

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2025, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section 1- Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported
Type of auditor's report issued on compliance for major programs unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

Table with 3 columns: Assistance Listing Number(s), FAIN Number(s), Name of Federal Program or Cluster. Includes entries for Special Education Cluster (IDEA), Special Education Grants to States, and Special Education Preschool Grants.

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00
Auditee qualified as low-risk auditee? X yes no

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

None.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

None.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

None.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2024-001

Condition

There were overexpenditures in the general fund.

Current Status

The condition has been corrected.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

