

**SCHOOL DISTRICT
OF**

HADDONFIELD



**Haddonfield Board of Education
Haddonfield, New Jersey**

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025**

**Annual Comprehensive
Financial Report**

of the

**Haddonfield Board of Education
Haddonfield, New Jersey**

For the Fiscal Year Ended June 30, 2025

**Prepared by
Haddonfield Board of Education
Finance Department**

HADDONFIELD SCHOOL DISTRICT

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Introductory Section



HADDONFIELD BOARD OF EDUCATION

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Charles Klaus
Superintendent

Dr. Gino Priolo
Assistant Superintendent

Michael Catalano
*Business Administrator/
Board Secretary*

November 28, 2025

Honorable President and
Members of the Board of Education
95 Grove Street
Haddonfield, NJ 08033

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Haddonfield School District for the fiscal year ended June 30, 2025, is hereby submitted. This ACFR includes the District's Basic Financial Statement prepared per Governmental Accounting Standards Board Statement 34. Responsibility for the data's accuracy and the presentation's completeness and fairness, 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 and account groups of the District. All disclosures necessary to enable the reader to understand 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 general-purpose financial statements, schedules, and the auditor's report. The statistical section includes selected financial and demographic information, generally presented multi-yearly. The District must undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of federal regulations, cost principles, and audit requirements for federal awards (uniform guidance) and the State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Haddonfield School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Haddonfield Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-K to 12. These services include, but are not limited to, Regular Instructional Programs, Technology Education, Intervention Services, Character Education, Social/Emotional Learning, and Special Education Programs for students with disabilities. The District completed the 2024-2025 fiscal year with an average daily enrollment of 2,730 students, a decrease of 8 students from the previous year's enrollment.

Annual Financial Report

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

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2024-25	2,730	-0.4 %
2023-24	2,742	-0.5 %
2022-23	2,757	2.1 %
2021-22	2,699	2.0 %
2020-21	2,646	-2.1 %
2019-20	2,703	-1.3 %
2018-19	2,739	0.9 %
2017-18	2,714	0.7 %
2016-17	2,690	1.1 %
2015-16	2,661	2.0 %

2. **ECONOMIC CONDITION AND OUTLOOK:** Haddonfield is a small historic community ten miles east of Philadelphia in Camden County, New Jersey. Haddonfield is 2.6 square miles in area, and its population was 12,550 in the 2020 Census Report. The town is served by a PATCO high-speed line connection, which links Haddonfield to the center city of Philadelphia, the City of Camden, and the New Jersey shore area. Haddonfield has a central shopping thoroughfare (Kings Highway) lined with picturesque shops, wonderful restaurants, and many professional offices.

Many business, social, and professional organizations serve the community. Haddonfield has numerous churches of many denominations and many volunteer organizations that help make Haddonfield a thriving community.

Haddonfield is fully developed, and it remains primarily a residential community. Much of the value of the borough's real estate lies with individual homeowners. The Haddonfield School District is one of the best public school districts in New Jersey and one of the best school districts in the state and nation, as acclaimed by numerous independent sources (Philadelphia Magazine, New Jersey Magazine, Newspaper Reports, U.S. News, and World Report).

Haddonfield School District is governed by a nine-member Board of Education elected at large to serve three-year terms. Three members are elected each November during the General Election.

There are five schools in the Haddonfield School District, which serves approximately 350 full- and part-time staff. Our five schools are:

Three elementary schools serve students from preschool through grade five: Central Elementary School, Elizabeth Haddon Elementary School, and Tatem Elementary School.

One middle school serving grades 6 through 8 is Haddonfield Middle School.

Haddonfield Memorial High School is a comprehensive high school serving grades nine through twelve.

- During the 2024-2025 school year, 188 members of the Class of 2025 took the SAT, which reflects over 86.64% of the class.
- The overall mean score during the 2024-2025 school year was 1208—611 mean score for ERW and 597 for Math.
- Class of 2025 had nearly 94.5% of graduating seniors continue their education in college.
- Over 91% of students graduating in the Class of 2025 attended a 4-year college or university.

Recognition has come regularly to HMHS to its stellar academic achievement

- In 2025 Niche.com ranked:
 - #1 best public school in Camden County.
 - #23 best public school for teachers in NJ,
 - #38 best public school in NJ,
 - HMHS #7 Best HS for athletes in NJ,
 - In 2025, *US News and World Report* ranked Haddonfield Memorial High School 42nd in the state and 881st in the nation
 - In 2024, *The College Board* provided HMHS with the distinction of AP Honor Roll - Gold.
 - *New Jersey Magazine* ranked HMHS as 6th in the state in 2018
 - *South Jersey Magazine's* September 2020 issue ranked HMHS #1 in SAT scores and #1 in Graduation Rates in South Jersey.
 - *Philadelphia Magazine* has cited HMHS as one of the finest schools in the Philadelphia Region on multiple occasions
 - 18-time winner of the ShopRite Cup, awarded to the school with the highest overall achievement among all Group II athletic programs in New Jersey.

- Winner of the Colonial Conference All-Sports Award, given to the school with the best win-loss record each year for all sports. HMHS has won this award every year since its inception over 40 years ago.
- Recognized by the National Federation of High Schools (NFHS) as a Level 1 School for outstanding commitment to professional development for the coaches.
- **The HMHS Equity Summit/Youth Leadership Conferences are based** on the training provided by the Anti-Defamation League and are designed to provide students with opportunities to build meaningful relationships with peers from their own and neighboring communities. Through guided discussions and collaborative activities, students will deepen their understanding of diversity, equity, and inclusion. The summit focuses on promoting acceptance, embracing differences, and breaking down barriers to create more inclusive and connected communities.
- **Middle School Visits/Activities** are facilitated by high school students, where elements of the HMHS Equity Summit/Youth Leadership Conferences, exposing middle school students to similar themes promoting acceptance and inclusivity.

Student enrollment is currently 2,750 students, with an additional 17 Special Education students sent on a tuition basis to private and public school special education programs. The total number of enrolled students includes 19 out-of-district students who pay tuition to Haddonfield School District to attend our excellent schools. The current demographic projections indicate a slight increase in future student enrollment.

3. MAJOR INITIATIVES: The major challenge currently facing Haddonfield School District is to maintain the excellent quality of its academic programs while having to finance approximately 95% of the entire budget through the primary revenue of local taxes with only minimal support from the State of New Jersey and the Federal Government. Haddonfield Memorial High School is consistently ranked among the top 1 percent of all high schools in the nation, boasting a highly successful athletic program that wins multiple state titles each year. In addition, the Haddonfield School District boasts an outstanding performing arts program, in which students are recognized on both state and national levels for their exemplary talents and memorable performances.

At the December 6, 2023, Board of Education meeting, the Haddonfield School District adopted a new mission statement: *At Haddonfield School District, we inspire academic excellence, foster lifelong learning, and empower our students to become contributing members of the global community.* As a result, the following are the District goals for the 2025-26 school year.

1. HSD will demonstrate growth in academic excellence by setting high expectations for the NJSLA, NJGPA, AP, and NJ Seal of Biliteracy tests, and improving results.
2. HSD will foster lifelong learning, critical thinking skills, and a growth mindset by promoting curiosity, providing students diverse learning opportunities beyond the classroom, and employing engaging instructional practices that develop students' executive functioning skills, enhance the acquisition of content knowledge, increase independence, and support positive behavior.
3. HSD will empower our students to become contributing members of the global community by acquiring the knowledge, skills, and perspectives needed to become engaged citizens in

a changing world through fostering intercultural understanding and critical thinking about global challenges and providing diverse opportunities for students to develop their voice and connect local learning to global issues.

All schools continue to be involved in the teacher and principal evaluation programs, along with Achieve New Jersey state-mandated programs. Haddonfield School District continues to have an exemplary professional development program featuring numerous educational experiences for our professional staff members and the district's support staff. The State of New Jersey has recognized Haddonfield School District's professional development program as one of the best in the state. During this professional development period, Haddonfield School District teachers, administrators, and experts in the field develop and present professional learning opportunities on various topics.

Due to the intense professional development, the commitment of the staff, and community support, Haddonfield students continue to excel on standardized tests that are among the highest in the state and nation. The Haddonfield students' mean scores often equal or exceed the test scores of other school districts, both public and private, and Haddonfield has a high percentage of students who are accepted to attend prestigious colleges and universities.

Haddonfield School District excels in academics, extracurricular endeavors, and arts programs. The community of Haddonfield has supported its students through community partnerships, parental involvement, volunteerism, and an overall commitment to the excellence of education. Residents of Haddonfield are extremely proud of our focus on Academia and the quality of education that Haddonfield School District provides.

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

As a recipient of federal and state financial assistance, albeit minimal, the District is also responsible for ensuring an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, and to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS: Besides internal accounting controls, the District maintains budgetary controls. These budgetary controls aim to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Borough. Annual appropriated budgets are adopted for the general, special revenue, and debt service funds. 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 records outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balances in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance on June 30, 2025.

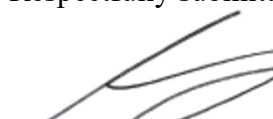
6. CASH MANAGEMENT: The District's investment policy is largely guided by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the Governmental Unit Deposit Protection Act ("GUDPA") provisions. 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 per the Act.

7. 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.

8. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accounts. Inverso & Stewart, LLC's accounting firm performs the Haddonfield Board of Education annual statutory audit. In addition to meeting the requirements outlined in state statutes, the audit was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance): and State of New Jersey Circular OMB15-08. The auditor's report on the general purpose financial statements and combining individual fund statements and schedules is in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

9. ACKNOWLEDGMENTS: We would like to thank the Haddonfield Board of Education members for providing fiscal accountability to the citizens and taxpayers of the Borough of Haddonfield.

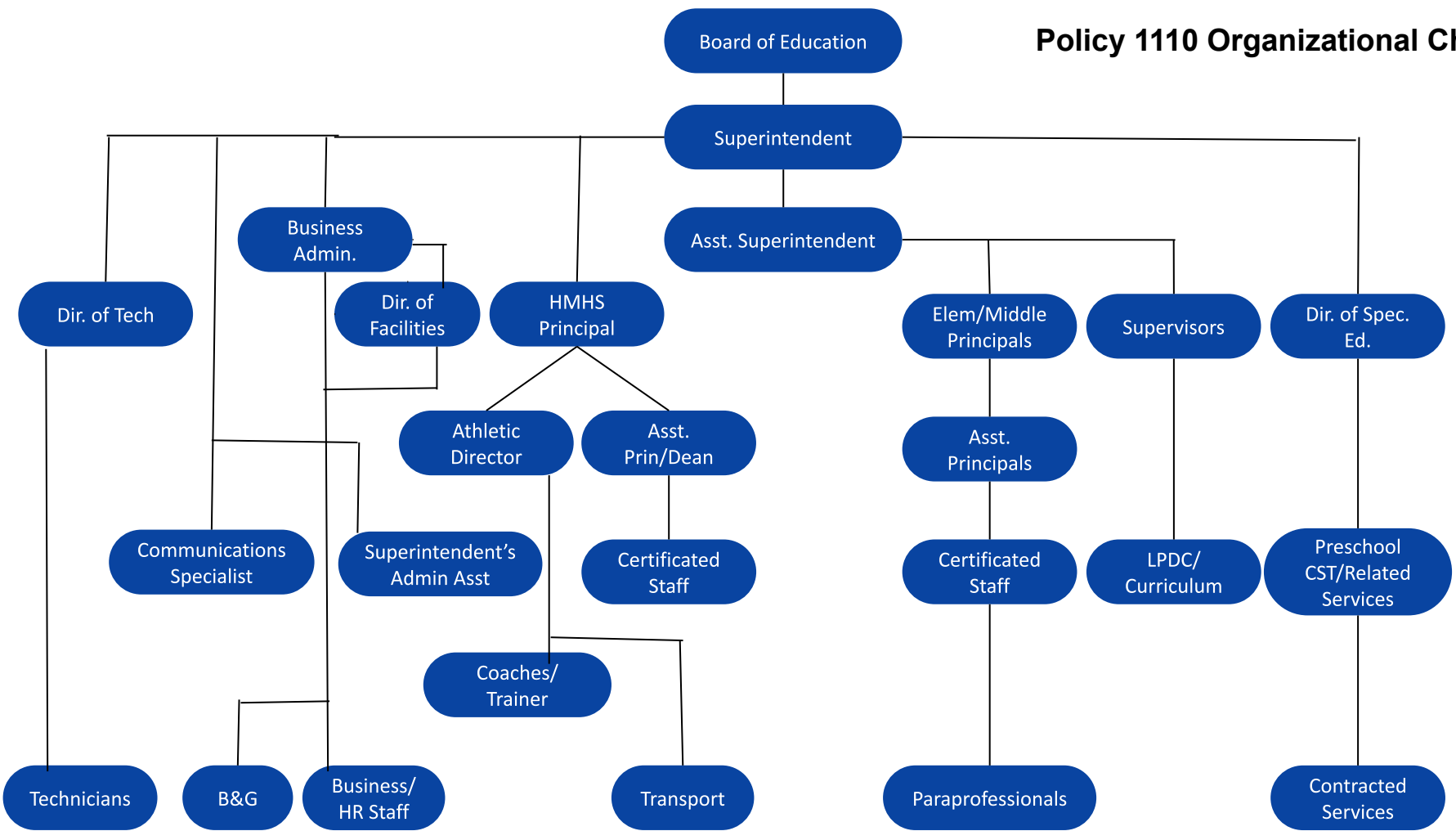
Respectfully submitted,


Charles Klaus
Superintendent


Dr. Gino Priolo
Assistant Superintendent


Michael Catalano
Business Administrator/Board Secretary

Policy 1110 Organizational Chart



BOE Revised Date:10/19/2023



Haddonfield Public Schools
Growing in Excellence

**HADDONFIELD BOARD OF EDUCATION
HADDONFIELD, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2025**

	<u>TERM EXPIRES</u>
Jaime Grookett, President	2025
Linda Hochgertel, Vice President	2025
Stephanie Benecchi	2027
Jessica Drass	2026
Greg Esemplare	2025
Megan Hollingworth	2027
Michael Nuckols	2026
Matt Ritter	2027
Nousheen Sadiq	2026

OTHER OFFICIALS

Charles Klaus	Superintendent
Dr. Gino Priolo	Assistant Superintendent
Michael Catalano	Business Administrator/Board Secretary
Joseph F. Betley, Esq.	Solicitor

**HADDONFIELD SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

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Attorney

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Architect

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Official Depository

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Financial Section

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Certified Public Accountants

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American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Haddonfield School District
County of Camden
Haddonfield, New Jersey

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Haddonfield School District (the "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 District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

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 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

My 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 my 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 generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

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

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the 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 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*, 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 my 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 my auditor's report thereon. My opinions on the basic financial statements do not cover the other information, and I do not express an opinion or any form of assurance thereon.

In connection with my audit of the basic financial statements, my 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, I am required to describe it in my report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated November 28, 2025, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
November 28, 2025

Required Supplementary Information - Part I
Management's Discussion and Analysis

**Haddonfield School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

As management of the Board of Education of the Borough of Haddonfield, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$18,462,282 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$2,869,754. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, the last two state aid payments, and the state statute that prohibits a school district from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District decreased by \$2,545,079, or a 12.12% decrease from the prior fiscal year-end balance.
- Fund balance of the School District's governmental funds increased by \$45,319,277, resulting in an ending fund balance of \$55,215,250. This increase is largely due to the results of operations in the Capital Projects Fund.
- Business-type activities have an unrestricted net position of \$258,604 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations increased by \$47,499,892 which is the result of the issuance of serial bonds and a financed purchase obligation.

Overview of the Basic Financial Statements

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

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

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

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

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

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

The School District's two enterprise funds (Food Service Fund and Community Education Program Fund) are listed individually and are considered to be major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2026. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2026.

The assets of the primary government activities exceeded liabilities by \$18,115,125 with an unrestricted deficit balance of \$2,869,754. The net position of the primary government does not include internal balances.

A net investment of (\$30,188,520) in land, improvements, buildings, equipment and vehicles provides the services to the School District's 2,729 public school students. Net position of \$45,940,000 has been restricted to provide resources for future capital expansion and renovation projects, \$1,422,581 for maintenance projects, \$431,861 for unemployment compensation, \$2,147,347 for future budget appropriations, \$754,150 for student activities, and \$477,460 for debt service.

As mentioned earlier, the deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, the last two state aid payments, and state statutes that prohibit a school district from maintaining more than 2% of its adopted budget as unrestricted fund balance.

Haddonfield School District
Comparative Summary of Net Position
As of June 30, 2025 and 2024

	Governmental Activities		Business-Type Activites		District-Wide	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current assets	\$ 55,471,014	\$ 10,218,486	\$ 470,937	\$ 450,953	\$ 55,941,951	\$ 10,669,439
Capital assets	47,562,831	47,752,952	88,553	88,101	47,651,384	47,841,053
Total assets	103,033,845	57,971,438	559,490	539,054	103,593,335	58,510,492
Deferred Outflows of Resources	929,555	906,049	-	-	929,555	906,049
LIABILITIES						
Current liabilities	3,729,235	4,158,067	212,333	205,214	3,941,568	4,363,281
Noncurrent liabilities	81,529,037	33,335,683	-	-	81,529,037	33,335,683
Total Liabilities	85,258,272	37,493,750	212,333	205,214	85,470,605	37,698,964
Deferred Inflows of Resources	590,003	710,216	-	-	590,003	710,216
Net Position	\$ 18,115,125	\$ 20,673,521	\$ 347,157	\$ 333,840	\$ 18,462,282	\$ 21,007,361
Net Position Consists of:						
Net investment in						
Capital Assets	\$(30,188,520)	\$ 17,269,121	\$ 88,553	\$ 88,101	\$(30,099,967)	\$ 17,357,222
Restricted Assets	51,173,399	8,499,009	-	-	51,173,399	8,499,009
Unrestricted Assets	(2,869,754)	(5,094,609)	258,604	245,739	(2,611,150)	(4,848,870)
Net Position	\$ 18,115,125	\$ 20,673,521	\$ 347,157	\$ 333,840	\$ 18,462,282	\$ 21,007,361

Haddonfield School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		District-Wide	
	2025	2024	2025	2024	2025	2024
Revenues:						
Charges for services	\$ -	\$ -	\$ 819,409	\$ 753,252	\$ 819,409	\$ 753,252
Operating Grants & Contributions	14,822,831	17,859,079	135,954	212,127	14,958,785	18,071,206
Capital Grants & Contributions	43,573	-	-	-	43,573	-
Property taxes	44,071,409	42,935,716	-	-	44,071,409	42,935,716
State aid - unrestricted	4,369,715	4,233,044	-	-	4,369,715	4,233,044
Tuition	349,013	365,481	-	-	349,013	365,481
Other revenues	1,341,392	599,561	18,156	16,348	1,359,548	615,909
Total Revenues	64,997,933	65,992,881	973,519	981,727	65,971,452	66,974,608
Expenses:						
Governmental Activities:						
Instruction	22,479,491	22,194,360	-	-	22,479,491	22,194,360
Tuition	850,935	512,922	-	-	850,935	512,922
Related Services	9,224,460	8,748,723	-	-	9,224,460	8,748,723
Administrative Services	3,187,809	3,262,110	-	-	3,187,809	3,262,110
Operations and Maintenance	8,908,319	6,540,640	-	-	8,908,319	6,540,640
Transportation	929,403	845,039	-	-	929,403	845,039
Central services	593,796	598,960	-	-	593,796	598,960
Employee benefits	20,259,070	21,131,628	-	-	20,259,070	21,131,628
Charter Schools	-	-	-	-	-	-
Interest on debt	1,030,923	692,427	-	-	1,030,923	692,427
Other	92,123	92,382	-	-	92,123	92,382
Business-Type Activities:						
Food Service	-	-	960,202	914,461	960,202	914,461
School Store	-	-	-	-	-	-
School Age Child Care	-	-	-	-	-	-
Total Expenses	67,556,329	64,619,191	960,202	914,461	68,516,531	65,533,652
Increase (Decrease) in Net Position before transfers	(2,558,396)	1,373,690	13,317	67,266	(2,545,079)	1,440,956
Transfers	-	-	-	-	-	-
Change in Net Position	(2,558,396)	1,373,690	13,317	67,266	(2,545,079)	1,440,956
Net Position, July 1	20,673,521	19,299,831	333,840	266,574	21,007,361	19,566,405
Net Position, June 30	\$ 18,115,125	\$ 20,673,521	\$ 347,157	\$ 333,840	\$ 18,462,282	\$ 21,007,361

Governmental Activities

Governmental activities decreased the net position of the School District by \$2,558,396 during the current fiscal year. Key elements of the decrease in net position for governmental activities are as follows:

- Depreciation expense exceeded capital outlay by \$85,449.
- Expenditures exceeded revenue in the General Fund by \$3,892,572.
- Interest on long-term debt decreased the net position by \$364,946.

Business-type Activities

Business-type activities increased the School District's net position by \$13,317. Key elements of the increase in net position for business-type activities are as follows:

- The Food Service Fund had a net gain of \$13,317.

Financial Analysis of the Governmental Funds

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

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$55,215,250, an increase of \$45,319,277 in comparison with the prior year. This increase is primarily attributable to the results of operations in the Capital Projects Fund.

The unassigned fund balance for the School District at the end of the fiscal year includes the unassigned fund balance for the General Fund of \$615,832. The remainder of the fund balance is reserved to indicate that it is not available for new spending, because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$45,940,000, 2) as restricted for future maintenance projects of \$1,422,581, 3) restricted for unemployment compensation \$431,861, 4) restricted for student activities \$754,150, 5) restricted for encumbrances \$3,011,342, 6) \$2,147,347 reserved for future budget appropriation, 7) \$477,460 reserved for debt service, and 8) \$414,677 appropriated as a revenue source for the subsequent year's budget.

The General Fund is the chief operating fund of the School District. As discussed earlier, the limited unassigned fund balance is due primarily to the accounting treatment of the last two state aid payments and state statutes that prohibit a New Jersey school district from maintaining more than 2% of its adopted budget as unrestricted fund balance.

General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$926,095 while total fund balance (budgetary basis) was \$9,338,550. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$63,484,823. Unassigned fund balance (budgetary basis) represents 1.46% of expenditures while total fund balance (budgetary basis) represents 14.71% of that same amount.

Capital Asset and Debt Administration

The School District’s investment in capital assets for its governmental and business-type activities as of June 30, 2025, totaled \$47,651,384 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment, and right-to-use assets. The net decrease in the District’s investment in capital assets for the current fiscal year was \$189,669 or a 0.40% decrease. The decrease is due primarily to depreciation and amortization.

Capital Asset/Leases (net of accumulated depreciation/amortization) June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		District-Wide	
	2025	2024	2025	2024	2025	2024
Land	\$ 1,898,592	\$ 1,898,592	\$ -	\$ -	\$ 1,898,592	\$ 1,898,592
Construction in Progress	1,736,647				1,736,647	-
Land Improvements	487,516	555,804			487,516	555,804
Building and Building Improvements	42,384,856	44,010,063	-	-	42,384,856	44,010,063
Equipment	842,673	971,274	88,553	88,101	931,226	1,059,375
Leases	212,547	317,219	-	-	212,547	317,219
Net Assets	\$ 47,562,831	\$ 47,752,952	\$ 88,553	\$ 88,101	\$ 47,651,384	\$ 47,841,053

Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2025, the School District had \$73,692,000 in serial bonds payable, \$694 in bond premium, \$1,335,875 in compensated absences, \$3,838,930 in financed purchase obligations, \$219,727 in leases payable, and \$4,869,524 in net pension liability.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$116,449,324. The available amount as of June 30, 2025 is \$42,757,324.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District’s budget for the 2025-26 fiscal year.

- For the 2025-26 fiscal year, the School District will be receiving a decrease in state aid. The local tax levy in the General Fund increased by \$1,206,300 or 2.94%. Salaries continue to increase contractually; however, the District has managed to control costs. The 2025-26 General Fund Budget is \$1,796,246 less than the previous year or a 3.56% decrease.
- The tax rate increased from \$1.833 in 2024 to \$1.898 in 2025.

For the Future

The Haddonfield School District is in good financial condition presently. A continuing challenge, however, is the cost of maintaining the District's aging facilities, especially as the community relies heavily on local property taxes. Because the District is largely residential with few significant commercial ratables, the tax burden falls primarily on homeowners.

The Haddonfield School District has maintained a consistent focus on sound financial management. Its processes for financial planning, budgeting, and internal controls continue to support responsible fiscal operations, and the District intends to sustain these practices moving forward.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Haddonfield School District Business Administrator, One Lincoln Avenue, Haddonfield, New Jersey 08033.

Basic Financial Statements

District-Wide Financial Statements

HADDONFIELD 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	\$ 52,833,446	\$ 443,084	\$ 53,276,530
Accounts Receivable, net	530,340	4,758	535,098
Inventory		23,095	23,095
Restricted assets:			
Cash and cash equivalents	2,107,228		2,107,228
Capital assets, net	47,350,284	88,553	47,438,837
Right-to-use lease assets, net	212,547		212,547
Total Assets	<u>103,033,845</u>	<u>559,490</u>	<u>103,593,335</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>929,555</u>	<u>-</u>	<u>929,555</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>103,963,400</u>	<u>559,490</u>	<u>104,522,890</u>
LIABILITIES:			
Accounts payable:			
Other	225,019		225,019
Related to pensions	454,077		454,077
Intergovernmental Accounts payable:			
State	58,627		58,627
Internal Balances	(146,437)	146,437	
Accrued Liabilities:			
Interest payable	591,681		591,681
Unearned revenue	118,555	65,896	184,451
Noncurrent liabilities:			
Due within one year	2,427,713		2,427,713
Due beyond one year	81,529,037		81,529,037
Total Liabilities	<u>85,258,272</u>	<u>212,333</u>	<u>85,470,605</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows of resources from pensions	<u>590,003</u>	<u>-</u>	<u>590,003</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>85,848,275</u>	<u>212,333</u>	<u>86,060,608</u>
NET POSITION:			
Net investment in capital assets	(30,188,520)	88,553	(30,099,967)
Restricted for:			
Capital projects	45,940,000		45,940,000
Maintenance	1,422,581		1,422,581
Excess Surplus	2,147,347		2,147,347
Unemployment Compensation	431,861		431,861
Debt Service	477,460		477,460
Student Activities	754,150		754,150
Unrestricted (Deficit)	<u>(2,869,754)</u>	<u>258,604</u>	<u>(2,611,150)</u>
Total Net Position	<u>\$ 18,115,125</u>	<u>\$ 347,157</u>	<u>\$ 18,462,282</u>

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

HADDONFIELD 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	\$ 16,959,812	\$ 349,013	\$ 416,446	\$ -	\$ (16,194,353)	\$ -	\$ (16,194,353)
Special Education	4,135,803		560,830		(3,574,973)		(3,574,973)
Other instruction	1,383,876				(1,383,876)		(1,383,876)
Support Services:							
Tuition	850,935				(850,935)		(850,935)
Student & instruction related services	9,224,460		1,074,612		(8,149,848)		(8,149,848)
General administrative services	1,263,663				(1,263,663)		(1,263,663)
School administrative services	1,924,146				(1,924,146)		(1,924,146)
Central administrative services	593,796				(593,796)		(593,796)
Plant operations and maintenance	8,908,319			43,573	(8,864,746)		(8,864,746)
Pupil transportation	929,403				(929,403)		(929,403)
Unallocated employee benefits	20,259,070		12,770,943		(7,488,127)		(7,488,127)
Transfer to Charter School					-		-
Interest on long-term debt	1,030,923				(1,030,923)		(1,030,923)
Unallocated depreciation and amortization	92,123				(92,123)		(92,123)
Total Governmental Activities	<u>67,556,329</u>	<u>349,013</u>	<u>14,822,831</u>	<u>43,573</u>	<u>(52,340,912)</u>	<u>-</u>	<u>(52,340,912)</u>
Business-Type Activities:							
Food service	960,202	819,409	135,954	-	-	(4,839)	(4,839)
Total Business-Type Activities	<u>960,202</u>	<u>819,409</u>	<u>135,954</u>	<u>-</u>	<u>-</u>	<u>(4,839)</u>	<u>(4,839)</u>
Total Primary Government	<u>\$ 68,516,531</u>	<u>\$ 1,168,422</u>	<u>\$ 14,958,785</u>	<u>\$ 43,573</u>	<u>(52,340,912)</u>	<u>(4,839)</u>	<u>(52,345,751)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					41,030,625		41,030,625
Taxes levied for debt service					3,040,784		3,040,784
Federal and State aid unrestricted					4,369,715		4,369,715
Investment and Interest earnings - restricted					713,277		713,277
Miscellaneous					628,115	18,156	646,271
Special Items:							
Transfer							-
Total general revenues, special items, extraordinary items and transfers					<u>49,782,516</u>	<u>18,156</u>	<u>49,800,672</u>
Change in Net Position					(2,558,396)	13,317	(2,545,079)
Net Position - July 1					<u>20,673,521</u>	<u>333,840</u>	<u>21,007,361</u>
Net Position - June 30					<u>\$ 18,115,125</u>	<u>\$ 347,157</u>	<u>\$ 18,462,282</u>

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

Fund Financial Statements

HADDONFIELD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 8,010,092	\$ 1,458,836	\$ 45,432,811	\$ 38,935	\$ 54,940,674
Interfund Accounts Receivable					
Special Revenue Fund	672,000				672,000
Capital Projects Fund				477,458	477,458
Debt Service Fund	38,933				38,933
Enterprise Fund	146,437				146,437
Intergovernmental Accounts Receivables:					
State	495,524				495,524
Federal		34,215			34,215
Other					
Other Accounts Receivable		601			601
Total Assets	\$ 9,362,986	\$ 1,493,652	\$ 45,432,811	\$ 516,393	\$ 56,805,842
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Accounts Payable					
General Fund		672,000		38,933	710,933
Debt Service Fund			477,458		477,458
Intergovernmental Accounts Payable:					
State		58,627			58,627
Accounts Payable:					
Payroll Deductions and Withholdings Payable	116,111				116,111
Unemployment Claims Payable	108,908				108,908
Other					
Unearned Revenue	109,680	8,875			118,555
Total Liabilities	334,699	739,502	477,458	38,933	1,590,592
Fund Balances:					
Restricted:					
Capital Reserve	984,647				984,647
Maintenance Reserve	1,422,581				1,422,581
Excess Surplus	2,147,347				2,147,347
Unemployment Compensation	431,861				431,861
Capital Projects			40,991,259		40,991,259
Debt Service				477,459	477,459
Student Activities		754,150			754,150
Assigned to:					
Other Purposes	3,011,342		3,964,094		6,975,436
Designated for subsequent year's expenditures	414,677			1	414,678
Unassigned	615,832				615,832
Total Fund Balances	9,028,287	754,150	44,955,353	477,460	55,215,250
Total Liabilities and Fund Balances	\$ 9,362,986	\$ 1,493,652	\$ 45,432,811	\$ 516,393	

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 \$80,973,517, and the accumulated depreciation is \$33,623,233. 47,350,284

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$422,671, and the accumulated amortization is \$210,124. 212,547

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (591,681)

Accounts payable related to the April 1, 2026 required PERS contribution that is not to be liquidated with current financial resources. (454,077)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	\$ 929,555	
Net Pension Liability	(4,869,524)	
Deferred Inflows of resources from Pensions	(590,003)	(4,529,972)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

General Obligation Bonds	(73,692,000)	
Bond Premium	(694)	
Financed Purchase Obligations	(3,838,930)	
Leases Payable	(219,727)	
Compensated Absences Payable	(1,335,875)	(79,087,226)

Net position of governmental activities **\$ 18,115,125**

HADDONFIELD SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
for the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local property tax levy	\$ 41,030,625	\$ -	\$ -	\$ 3,040,784	\$ 44,071,409
Tuition charges	349,013				349,013
Interest earned on maintenance reserve funds	64,508				64,508
Interest earned on capital reserve funds	151,593				151,593
Other restricted misc. revenues	20,418		476,758		497,176
Unrestricted misc. revenues	628,115				628,115
Federal sources		774,217			774,217
State sources	13,651,979	449,059		605,194	14,706,232
Local sources		873,822			873,822
Total Revenues	55,896,251	2,097,098	476,758	3,645,978	62,116,085
EXPENDITURES:					
Current expense:					
Regular instruction	14,881,395	416,446			15,297,841
Special education instruction	3,574,973	560,830			4,135,803
Other instruction	1,383,876				1,383,876
Support services and undistributed costs:					
Tuition	850,935				850,935
Student & instruction related services	8,232,885	991,575			9,224,460
General administrative services	1,068,951				1,068,951
School administrative services	1,924,146				1,924,146
Central services	560,861				560,861
Administrative Info. Technology	27,701				27,701
Plant operations and maintenance	4,753,155				4,753,155
Pupil transportation	929,403				929,403
Unallocated employee benefits	17,603,783	1,637			17,605,420
Capital outlay	3,996,759	43,573	1,736,647		5,776,979
Transfer of Funds to Charter School					-
Debt service:					
Principal				2,980,000	2,980,000
Interest and other charges				665,977	665,977
Total expenditures	59,788,823	2,014,061	1,736,647	3,645,977	67,185,508
Excess (deficiency) of revenues over (under) expenditures	<u>(3,892,572)</u>	<u>83,037</u>	<u>(1,259,889)</u>	<u>1</u>	<u>(5,069,423)</u>
Other Financing Sources (Uses):					
Proceeds of Bonds			46,692,000		46,692,000
Bond Premium			700		700
Proceeds of Financed Purchase	3,696,000				3,696,000
Operating transfer in				477,458	477,458
Operating transfer out			(477,458)		(477,458)
Total other financing sources (uses)	<u>3,696,000</u>	<u>-</u>	<u>46,215,242</u>	<u>477,458</u>	<u>50,388,700</u>
Net change in fund balance	(196,572)	83,037	44,955,353	477,459	45,319,277
Fund balances, July 1	9,224,859	671,113		1	9,895,973
Fund balances, June 30	<u>\$ 9,028,287</u>	<u>\$ 754,150</u>	<u>\$ 44,955,353</u>	<u>\$ 477,460</u>	<u>\$ 55,215,250</u>

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

HADDONFIELD 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

Total net change in fund balances - governmental funds (from B-2)		\$ 45,319,277
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in the governmental funds as expenditures. However, on 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 current fiscal year.</p>		
Depreciation expense	\$ (1,842,452)	
Capital outlay	1,757,003	(85,449)
<p>Capital outlays related to leases are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization in the current fiscal year.</p>		
Amortization expense	(104,672)	
Lease asset additions	-	(104,672)
<p>The proceeds of bonds and bond premium are an other financing source of revenue in the governmental funds but are not reported in the statement of activities.</p>		
		(46,692,700)
<p>Repayment of bond principal and bond premium is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		2,980,006
<p>The proceeds of leases are an other financing source of revenue in the governmental funds but is not reported in the statement of activities.</p>		
		-
<p>Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		103,498
<p>The proceeds of a financed purchase obligation are an other financing source of revenue in the governmental funds but are not reported in the statement of activities.</p>		
		(3,696,000)
<p>Repayment of financed purchase obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		37,676
<p>Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.</p>		
		228,198
<p>In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.</p>		
		(364,946)
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		(283,284)
Change in net position of governmental activities		\$ (2,558,396)

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

HADDONFIELD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-type Activities Enterprise Funds Food Service Program
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 443,084
Accounts receivable	4,758
Inventories	23,095
	470,937
Total current assets	
Noncurrent assets:	
Equipment	325,283
Less accumulated depreciation	(236,730)
	88,553
Total noncurrent assets	
Total assets	559,490
LIABILITIES	
Current liabilities:	
Accounts payable	-
Interfund payable	146,437
Unearned revenue	65,896
	212,333
Total liabilities	
NET POSITION	
Net investment in capital assets	88,553
Unrestricted	258,604
	\$ 347,157

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

HADDONFIELD SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
for the Fiscal Year Ended June 30, 2025

	Business-type Activities Enterprise Funds
	Food Service Program
Operating revenues:	
Charges for services:	
Daily sales-reimbursable programs	\$ 383,889
Daily sales-non-reimbursable programs	435,520
	819,409
Total operating revenue	819,409
Operating expenses:	
Salaries	374,290
Employee benefits	57,987
Supplies and materials	32,208
Depreciation	7,523
Management Fee	51,000
Direct expenses	30,372
Cleaning and maintenance	2,967
Cost of sales - reimbursable programs	208,923
Cost of sales - nonreimbursable programs	194,932
	960,202
Total operating expenses	960,202
Operating income (loss)	(140,793)
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	6,797
Summer P-EBT, state portion	321
Federal sources:	
National school lunch program	73,693
School breakfast program	1,756
Summer P-EBT	322
U.S.D.A. commodities	53,065
Local sources:	
Interest revenue	18,156
	154,110
Total nonoperating revenues (expenses)	154,110
Net income (loss) before contributions and transfers	13,317
Operating Transfer Out	-
Change in net position	13,317
Total net position - July 1	333,840
Total net position - June 30	\$ 347,157

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

HADDONFIELD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Fiscal Year Ended June 30, 2025

	Business-type Activities Enterprise Funds <u>Food Service Program</u>
Cash flows from operating activities:	
Receipts from customers	\$ 807,736
Payments to employees	(355,356)
Payments to suppliers	<u>(510,073)</u>
Net cash used for operating activities	<u>(57,693)</u>
Cash flows from noncapital financing activities:	
State sources	7,073
Federal sources	<u>75,115</u>
Net cash provided by non-capital financing activities	<u>82,188</u>
Cash flows from capital activities:	
Purchases of fixed assets	<u>(7,975)</u>
	<u>(7,975)</u>
Cash flows from investing activities:	
Interest and dividends	<u>18,156</u>
Net cash provided by investing activities	<u>18,156</u>
Net increase in cash and cash equivalents	34,676
Balances - beginning of year	<u>408,408</u>
Balances - end of year	<u>\$ 443,084</u>
Reconciliation of operating loss to net cash provided	
(used) by operating activities:	
Operating income (loss)	\$ (140,793)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	7,523
Federal commodities	53,065
(Increase) decrease in inventories	15,393
(Increase) decrease in accounts receivable	-
Increase (decrease) in accounts payable	(57,158)
Increase (decrease) in interfund payable	75,950
Increase (decrease) in unearned revenue	<u>(11,673)</u>
Total adjustments	<u>83,100</u>
Net cash provided by (used for) operating activities	<u>\$ (57,693)</u>

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Haddonfield School District (District) is a Type II school district located in Camden County, New Jersey and covers an area of approximately 2.6 square miles. As a Type II school district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members' terms expire each year. The purpose of the district is to provide educational services for all of Haddonfield's students in grades K through 12. The Haddonfield School District has an approximate enrollment at June 30, 2025 of 2,729 students.

The primary criteria for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *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 combined financial statements include all funds of the School District over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

The basic financial statements of the School District have been prepared in conformity 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 more significant of the School District's accounting policies are described below.

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

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Statements (Continued) - The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes 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.

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

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure 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 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.

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.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The School District's enterprise funds are:

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

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

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 adopted a resolution to move the annual school board election to the first Tuesday after the first Monday in November, beginning in November 2012, to be held simultaneously with the general election. As a result, voter approval of the School District's general fund tax levy is no longer required for the budget year, except in the case of 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 the line-item level within each fund, consistent with the minimum chart of accounts prescribed by 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 fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America 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. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets/Budgetary Control (Continued) - 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 year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. 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 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, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, 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 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.

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 institution 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 full amount of their deposits to the governmental units.

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.

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

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

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.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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

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

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

Lease Assets - Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of lease assets is determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on 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 fund financial statements when due.

Bond Discount and Bond Premium - Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

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, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 law 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.

It is the School District’s policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are 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” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2025.

Restricted – This 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 (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This 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. 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 imposing the commitment.

Assigned – This 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.

Unassigned – This fund balance classification is the residual classification for the General Fund. It 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 an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is 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.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. The School District did not incur non-operating expenses during the fiscal year.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

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.

Recently Implemented Accounting Standards

In fiscal year 2025, the District implemented GASB Statement No. 101, Compensated Absences. The Statement updates recognition and measurement requirements for compensated absences by requiring governments to recognize liabilities for leave that has been earned but not yet used, as well as leave that has been used but not yet paid or otherwise settled. The implementation of this Statement did not have a material impact on the District's financial statements, as the District's existing accounting practices are consistent with the new requirements.

Recently Issued Accounting Pronouncements Not Yet Implemented

In December 2023, the GASB issued Statement 102, Certain Risk Disclosures. This statement requires government financial statements to disclose risks related to concentrations or constraints that could make a government vulnerable. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The District is currently evaluating the effect of this pronouncement on financial reporting.

In April 2024, GASB issued Statement No. 103, Financial Reporting Model Improvements. This statement aims to improve the financial reporting model to provide more effective information for decision making and assessing a government's accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The District is currently evaluating the effect of this pronouncement on financial reporting.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to 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 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 such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$58,293,539 as of June 30, 2025, \$250,000 was insured under FDIC and the remaining balance of \$58,043,539 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

3. CAPITAL RESERVE ACCOUNT (Continued)

Pursuant to N.J.A.C. 6:26-9.1(d), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance - June 30, 2024		\$ 3,324,128
Increased by:		
Interest Earned	\$ 151,593	
Unspent Appropriation	108,926	
Board Resolution	<u>300,000</u>	<u>560,519</u>
		3,884,647
Decreased by:		
Budget Withdrawal		<u>2,900,000</u>
Balance - June 30, 2025		<u><u>\$ 984,647</u></u>

The June 30, 2025 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted capital projects.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2025 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue	Capital Projects	Proprietary Fund	Total
Federal Aid	\$ -	\$ 34,215	\$ -	\$ 4,360	\$ 38,575
State Aid	495,524	-	-	398	495,922
Other	-	601	-	-	601
	<u>\$ 495,524</u>	<u>\$ 34,816</u>	<u>\$ -</u>	<u>\$ 4,758</u>	<u>\$ 535,098</u>

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

5. CAPITAL ASSETS

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

	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,898,592	\$ -	\$ -	\$ 1,898,592
Construction in Progress	-	1,736,647	-	1,736,647
Total Capital Assets not being Depreciated	<u>1,898,592</u>	<u>1,736,647</u>	<u>-</u>	<u>3,635,239</u>
Capital Assets, being Depreciated				
Land Improvements	1,719,590		(1)	1,719,589
Building and Improvements	71,064,868		(1)	71,064,867
Equipment	4,533,464	20,358		4,553,822
Total Capital Assets, being Depreciated	<u>77,317,922</u>	<u>20,358</u>	<u>(2)</u>	<u>77,338,278</u>
Total Capital Assets, Cost	<u>79,216,514</u>	<u>1,757,005</u>	<u>(2)</u>	<u>80,973,517</u>
Less Accumulated Depreciation:				
Land Improvements	(1,163,786)	(68,287)		(1,232,073)
Building and Improvements	(27,054,805)	(1,625,206)		(28,680,011)
Equipment	(3,562,190)	(148,959)		(3,711,149)
Total Accumulated Depreciation	<u>(31,780,781)</u>	<u>(1,842,452)</u>	<u>-</u>	<u>(33,623,233)</u>
Total Capital Assets, being Depreciated, net	<u>45,537,141</u>	<u>(1,822,094)</u>	<u>(2)</u>	<u>43,715,045</u>
Total Capital Assets, net	<u>47,435,733</u>	<u>(85,447)</u>	<u>(2)</u>	<u>47,350,284</u>
Right-to-Use Lease Assets:				
Real Estate	402,753			402,753
Equipment	19,918			19,918
Total Lease Assets	<u>422,671</u>	<u>-</u>	<u>-</u>	<u>422,671</u>
Less Accumulated Amortization:				
Right-to-Use Lease Assets				
Real Estate	(100,688)	(100,688)		(201,376)
Equipment	(4,764)	(3,984)		(8,748)
Total Accumulated Amortization	<u>(105,452)</u>	<u>(104,672)</u>	<u>-</u>	<u>(210,124)</u>
Total Right-to-Use Lease Assets, net	<u>317,219</u>	<u>(104,672)</u>	<u>-</u>	<u>212,547</u>
Governmental Activities Capital Assets, net	<u>\$ 47,752,952</u>	<u>\$ (190,119)</u>	<u>\$ (2)</u>	<u>\$ 47,562,831</u>
Business-Type Activities:				
Capital Assets, being Depreciated				
Equipment	\$ 317,308	\$ 7,975	\$ -	\$ 325,283
Less - Accumulated Depreciation	<u>(229,207)</u>	<u>(7,523)</u>		<u>(236,730)</u>
Business-Type Activities Capital, net	<u>\$ 88,101</u>	<u>\$ 452</u>	<u>\$ -</u>	<u>\$ 88,553</u>

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

5. CAPITAL ASSETS (Continued)

Depreciation expense in the amount of \$1,842,452 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 1,289,716
Plant Operations and Maintenance	276,368
Administration	184,245
Unallocated	92,123
	\$ 1,842,452

Amortization expense in the amount of \$104,672 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 88,971
Administration	10,467
Central Services	5,234
	\$ 104,672

6. INVENTORY

Inventory in the Food Service Fund at June 30, 2025 consisted of the following:

	Food Service
Food	\$ 20,548
Supplies	2,547
	\$ 23,095

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

7. LONG-TERM OBLIGATIONS

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

	<u>Balance</u> <u>June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>One Year</u>
General Obligation Bonds	\$ 29,980,000	\$ 46,692,000	\$ 2,980,000	\$ 73,692,000	\$ 2,200,000
Bond Premium	-	700	6	694	32
Compensated Absences	1,052,591	346,749	63,465	1,335,875	-
Financed Purchase Obligations	180,606	3,696,000	37,676	3,838,930	121,035
Leases Payable	323,225	-	103,498	219,727	106,646
Net Pension Liability	4,920,436	-	50,912	4,869,524	-
	<u>\$ 36,456,858</u>	<u>\$ 50,735,449</u>	<u>\$ 3,235,557</u>	<u>\$ 83,956,750</u>	<u>\$ 2,427,713</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the district through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the district are as follows:

2016 School Bonds dated August 16, 2016, in the amount of \$35,251,000, with \$27,000,000 outstanding, due in annual installments through September 1, 2036, bearing interest rates ranging from 2.00% - 3.00%.

2025 School Bonds dated April 15, 2025, in the amount of \$46,692,000, with \$46,692,000 outstanding, due in annual installments through April 15, 2047, bearing interest rates ranging from 1.00% - 4.00%.

Principal and interest due on bonds outstanding are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,200,000	\$ 2,309,990	\$ 4,509,990
2027	3,925,000	2,265,990	6,190,990
2028	3,570,000	2,204,740	5,774,740
2029	3,646,000	2,147,040	5,793,040
2030	3,736,000	2,087,205	5,823,205
2031-2035	20,244,000	8,874,210	29,118,210
2036-2040	17,191,000	5,553,040	22,744,040
2041-2045	13,700,000	2,740,000	16,440,000
2046-2047	5,480,000	328,800	5,808,800
Total	<u>\$ 73,692,000</u>	<u>\$ 28,511,015</u>	<u>\$ 102,203,015</u>

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

Compensated Absences

Compensated absences will be paid from the fund from which the employees' salaries are paid.

Financed Purchase Obligations - As of June 30, 2025, the District had the following financed purchases:

<u>Equipment</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Toshiba Copiers	August 31, 2028	8.57%	\$ 142,930
Energy Savings Improvement	December 16, 2044	4.27%	<u>3,696,000</u>
			<u>\$ 3,838,930</u>

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

7. LONG-TERM OBLIGATIONS

Financed Purchase Obligations (Continued)

The following is a schedule of the future payments under the financed purchase obligations:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 121,035	\$ 179,261	\$ 300,296
2027	485,693	156,710	642,403
2028	217,677	136,799	354,476
2029	109,525	127,358	236,883
2030	110,000	122,891	232,891
2031-2034	621,000	539,728	1,160,728
2035-2039	894,000	383,958	1,277,958
2040-2044	1,280,000	154,766	1,434,766
	<u>\$ 3,838,930</u>	<u>\$ 1,801,471</u>	<u>\$ 5,640,401</u>

Leases Payable:

The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On May 1, 2022, the School District entered a 60-month lease as lessee for the use of a postage meter. An initial lease liability was recorded in the amount of \$8,317. The lease liability was \$3,219 as of June 30, 2025. The School District is required to make quarterly payments of \$473. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2025, was \$8,317 with accumulated amortization of \$5,268, resulting in a net book value of \$3,049.

On July 1, 2023, the School District entered a 48-month lease as lessee for the use of office space. An initial lease liability was recorded in the amount of \$402,753. The lease liability was \$208,207 as of June 30, 2025. The School District is required to make monthly payments of \$8,927. The payment is adjusted annually based on the CPI Index. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2025, was \$402,753 with accumulated amortization of \$201,376, resulting in a net book value of \$201,377.

On January 1, 2024, the School District entered a 60-month lease as lessee for the use of a postage meter. An initial lease liability was recorded in the amount of \$11,601. The lease liability was \$8,301 as of June 30, 2025. The School District is required to make quarterly payments of \$627. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2025, was \$11,601 with accumulated amortization of \$3,480, resulting in a net book value of \$8,121.

As of June 30, 2025, the District had leases outstanding as follows:

<u>Purpose</u>	<u>Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Postage Meter	May 1, 2022	April 1, 2027	3.00%	\$ 3,219
Board Office Rental	July 1, 2023	June 30, 2027	3.00%	208,207
Postage Meter	January 1, 2024	December 31, 2028	3.00%	8,301
Total				<u>\$ 219,727</u>

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

7. LONG-TERM OBLIGATIONS

Leases Payable (Continued)

The future annual lease obligations as of June 30, 2025, are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 106,646	\$ 4,872	\$ 111,518
2027	109,416	1,629	111,045
2028	2,425	83	2,508
2029	1,240	14	1,254
Total	<u>\$ 219,727</u>	<u>\$ 6,598</u>	<u>\$ 226,325</u>

8. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Empower (formerly Prudential Financial) for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at the following website: <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to 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's Board of Trustees is primarily responsible for the administration of the TPAF.

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

The following represents the membership tiers for TPAF:

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A.18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2024. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

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 the 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 was not required to make any contributions 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 \$6,824,465 and was paid by April 1, 2025. School District employee contributions to the pension plan during the fiscal year ended June 30, 2025 were \$1,577,511.

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

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

For the year ended June 30, 2025, the School District recognized pension expense of (\$284,666) and revenue of (\$284,666) for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	6/30/2024	6/30/2023
Collective deferred outflows of resources	\$ 1,108,112,477	\$ 2,413,548,676
Collective deferred inflows of resources	10,545,101,790	14,741,373,312
Collective net pension liability (Non-Employer – State of New Jersey)	49,492,072,325	51,109,961,824
State's portion of the net pension liability that was associated with the School District	78,036,611	81,937,178
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	0.1578886037%	0.1605582837%

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

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
 Salary Increases:	
	2.75 - 5.65%
	based on years of service
 Investment Rate of Return:	
	7.00%

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

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

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

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

Discount rate. The discount rate used to measure the State's 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 (State of New Jersey) will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2024, the pension plan's measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, 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 percentage point lower (6.00%) or 1 percentage point higher (8.00%) that the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>92,757,560</u>	<u>78,036,611</u>	<u>65,638,789</u>
	<u>\$ 92,757,560</u>	<u>\$ 78,036,611</u>	<u>\$ 65,638,789</u>

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting 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 pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of 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 their respective tier.

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and require contributions by active members and contributing employers. The School District's contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19. P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

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 \$487,644 and was paid by April 1, 2025. School District employee contributions to the pension plan during the fiscal year ended June 30, 2025 were \$197,799.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Retro and Longterm Disability</u>	<u>Total Liability Paid by District</u>
2025	\$ 84,499	\$ 382,250	\$ 20,895	\$ -	\$ 487,644
2024	80,581	354,279	19,168	-	454,028
2023	70,871	374,287	20,148	-	465,306

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

At June 30, 2025, the School District reported a liability of \$4,869,524 for its proportionate share of the net pension liability. 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 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 year ended June 30, 2025, the School District recognized pension expense of \$259,441. At June 30, 2025, the School District reported a liability of \$4,869,524 for its proportionate share of the PERS net pension liability and had deferred outflows and inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 97,546	\$ 12,964
Changes of assumptions	6,049	55,404
Net Difference between projected and actual earnings on pension plan investments	-	225,787
Changes in proportion	371,883	295,848
District contributions subsequent to the measurement date	454,077	
Total	\$ 929,555	\$ 590,003

\$454,077 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement will be recognized as a reduction of the net liability in the year ended June 30, 2026.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2026	\$ (266,626)
2027	227,149
2028	(101,114)
2029	9,702
2030	16,364
Total	\$ (114,525)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
June 30, 2024	5.08	-
Changes of assumptions		
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	-
June 30, 2024	-	-
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	-	5.00
June 30, 2023	-	5.00
June 30, 2024	-	5.00

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Additional Information

Collective balances at June 30, 2024 and 2023 are as follows:

	6/30/2024	6/30/2023
Collective deferred outflows of resources	\$ 1,079,580,780	\$ 1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,484,374,047
 School District's Proportion	 0.0358368240%	 0.0339706502%

Actuarial assumptions - The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75 - 6.55%
	based on years of service
Investment Rate of Return:	7.00%

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

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

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

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

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

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

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2024, calculated using the discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
School District's proportionate share of the net pension liability	\$ 6,470,400	\$ 4,869,524	\$ 3,507,187

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Empower (formerly Prudential Financial). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

**Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025**

8. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP) (Continued)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District’s contribution amounts for each pay period are transmitted to Empower not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District’s contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Total Liability	Paid by School District
2025	\$ 31,949	\$ 31,949
2024	33,309	33,309
2023	32,099	32,099

9. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefits 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.

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.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

9. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Membership

As of June 30, 2024, the program membership consisted of the following:

Active Plan Members	219,185
Retirees	153,556
	372,741

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 OPEB for qualified retired PERS and TPAF participants. The School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB 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 following OPEB liability note information is reported at the State’s level and is not specific to the Board of Education. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget webpage: nj.gov/treasury/omb/fr.shtml. The State, as a nonemployer contributing entity, reported a Fiscal Year 2024 total OPEB liability of \$59,650,630,530 for this special funding situation.

Actuarial assumptions and other imputes - The total OPEB liability in the June 30, 2024 actuarial valuation reported by the State in the State’s most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF/ABP	PERS	PFRS
Salary Increases	2.75 – 5.65%	2.75 – 6.55%	3.25 – 16.25%
	based on service years	based on service years	based on service years

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.

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

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 seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

9. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

Changes in the Total Nonemployer OPEB Liability

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

	Total OPEB Liability
Balance as of June 30, 2023	\$ 78,851,814
Changes for the Year	
Service Cost	3,156,838
Interest	2,917,883
Changes of benefit terms	-
Differences between expected and actual experience	(764,050)
Changes in assumptions	6,631,597
Gross Benefit Payments	(2,228,435)
Contributions from the Non-employer	N/A
Contributions from the Member	76,304
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	9,790,137
Balance at 06/30/2024	\$ 88,641,951

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

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 103,818,709	\$ 88,641,951	\$ 76,436,688

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 73,839,391	\$ 88,641,951	\$ 107,923,263

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

9. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2025, the School District recognized \$2,907,073 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 were based on the OPEB Plan’s June 30, 2024 measurement date.

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.

At June 30, 2024, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 2,607,746	\$ (2,167,630)
Differences between expected and actual experience	9,479,213	(16,553,812)
Changes of assumptions	14,867,584	(17,330,853)
Total	\$ 26,954,543	\$ (36,052,295)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2026	\$ (2,999,146)
2027	(2,514,801)
2028	(1,194,451)
2029	313,922
2030	(2,179,646)
Thereafter	(523,630)
Total	\$ (9,097,752)

Detailed information about the pension plan’s sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

10. 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 retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$6,500,420, \$1,899,428 and \$3,112. In addition, \$1,484,498 in on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

11. RISK MANAGEMENT

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The district has chosen to purchase insurance to transfer risk to outside parties.

Property and Liability Insurance – The District is a member of the Burlington County School Joint Insurance Fund (BCIPJIF), a public entity risk pool currently operating as a common risk management and insurance program. The district pays an actuarial determined annual assessment to BCIPJIF for its insurance coverage. Supplemental assessments may be levied to supplement the fund. The district has not been notified of any supplemental assessments.

In addition, the district carries commercial insurance for all other risks of loss, including employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the “Statistical Section” of this report.

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

The following is a summary of the School District’s unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Board Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024-2025	\$ 43,850	\$ -	\$ 20,418	\$ 52,498	\$ 540,769
2023-2024	44,624	-	9,677	33,824	528,999
2022-2023	42,085	-	5,996	27,244	508,522

12. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

13. COMPENSATED ABSENCES

The School District provides vacation and sick leave to its employees in accordance with collective bargaining agreements and School District policies. Unused leave may be carried forward, and certain amounts are paid upon separation or retirement.

Effective for the year ended June 30, 2025, the School District implemented GASB Statement No. 101, Compensated Absences, which requires recognition of a liability for leave that has been used but not yet paid and for unused leave that is more likely than not to be used or paid. The liability is measured at current pay rates and includes applicable salary-related amounts.

A liability for compensated absences is reported in the government-wide financial statements. Expenditures are recognized in governmental funds when the liability is due and payable.

As of June 30, 2025, the liability for compensated absences in the governmental activities was \$1,335,875.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

14. FLEXIBLE BENEFITS PROGRAM

The district offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The district, who is the plan administrator, has contracted with a third-party administrator to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to a third-party administrator for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the district.

The following is a summary of district contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the district's fiduciary fund for the current and prior four years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Employer Reimbursement</u>	<u>Ending Balance</u>
2024-2025	\$ 105,000	\$ 8,815	\$ 109,901	\$ 189,882	\$ 74,155	\$ 84,005
2023-2024	120,300	4,197	94,760	196,182	-	124,326
2022-2023	112,100	4,065	107,093	202,067	-	101,251
2021-2022	105,400	315	83,129	185,882	-	80,060
2020-2021	109,800	330	54,710	170,131	-	77,098

15. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2026. The following interfund balances were recorded on the various balance sheets as of June 30, 2025:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General Fund	\$ 857,370	\$ -
Special Revenue Fund	-	672,000
Capital Projects Fund	-	477,458
Debt Service Fund	477,458	38,933
Proprietary Fund	-	146,437
	<u>\$ 1,334,828</u>	<u>\$ 1,334,828</u>

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2025, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

17. 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.

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

The municipality recognized revenue of \$8,822 from the annual service charge in lieu of payment of taxes in 2024. The assessed value on these tax exemption properties amounted to \$3,072,000 which would have resulted in 2024 taxes billed in full of \$105,677. Of this amount, \$56,310 would have been allocated to the District.

18. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2025, a deficit of \$2,869,754 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unassigned Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances, June 30, 2025:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Fund Balance - Unassigned	\$ 615,832
Fund Balance - Assigned	3,426,019
Liabilities:	
Accrued Interest Payable	(591,681)
Net Pension Differences	(4,984,049)
Compensated Absences	<u>(1,335,875)</u>
Unrestricted Net Position (Deficit)	<u>\$ (2,869,754)</u>

19. 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: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund:

Capital Reserve – As of June 30, 2025, the balance in the capital reserve account is \$984,647 which is restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

19. FUND BALANCES (Continued)

RESTRICTED (Continued)

General Fund (Continued):

Maintenance Reserve Account – As of June 30, 2025, the balance in the maintenance reserve account is \$1,422,581. Of this amount \$300,000 has been appropriated in the 2025-2026 Budget. 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).

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is \$1,227,788 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$919,559 of excess fund balance generated during the 2023-2024 fiscal year has been restricted and designated for utilization in the 2025-2026 budget.

Unemployment Compensation – As of June 30, 2025, the balance in unemployment compensation is \$431,861. These funds are restricted for the purpose of financing unemployment claims.

Special Revenue Fund:

Student Activities – As of June 30, 2025, the balance in student activities is \$754,150.

Capital Projects Fund:

Capital Projects – As of June 30, 2025, the balance in capital projects is \$40,991,259.

Debt Service Fund:

Debt Service – As of June 30, 2025, the balance in debt service is \$477,459.

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 – At June 30, 2025, the School District has \$3,011,342 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Designated for Subsequent Year's Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2026, \$414,677 of general fund balance.

Capital Projects Fund:

Other Purposes – At June 30, 2025, the School District has \$3,964,094 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Debt Service Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2026, \$1 of debt service fund balance.

Haddonfield School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

19. FUND BALANCES (Continued)

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, \$615,832 of general fund balance was unassigned.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 41,030,625	\$ -	\$ 41,030,625	\$ 41,030,625	\$ -
Tuition - Individuals	257,000	-	257,000	349,013	92,013
Maintenance reserve interest	-	-	-	64,508	64,508
Capital reserve interest	-	-	-	151,593	151,593
Other restricted miscellaneous revenue	-	-	-	20,418	20,418
Unrestricted miscellaneous revenue	150,000	-	150,000	628,115	478,115
Total local sources	41,437,625	-	41,437,625	42,244,272	806,647
State sources:					
Extraordinary Aid	400,000	-	400,000	401,988	1,988
Special Education Aid	2,990,187	-	2,990,187	2,990,187	-
Security Aid	206,788	-	206,788	206,788	-
Transportation Aid	183,654	-	183,654	183,654	-
Menstrual Products Reimbursement	-	-	-	20,237	20,237
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	6,500,420	6,500,420
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,899,428	1,899,428
On-behalf TPAF LTDI (non-budgeted)	-	-	-	3,112	3,112
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	1,484,498	1,484,498
Total state sources	3,780,629	-	3,780,629	13,690,312	9,909,683
TOTAL REVENUES	45,218,254	-	45,218,254	55,934,584	10,716,330
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Kindergarten	350,140	55,969	406,109	406,109	-
Grades 1-5	5,209,427	(213,363)	4,996,064	4,996,064	-
Grades 6-8	3,066,797	9,377	3,076,174	3,076,174	-
Grades 9-12	4,624,412	(108,238)	4,516,174	4,516,174	-
Total Instruction	13,250,776	(256,255)	12,994,521	12,994,521	-
Regular Programs - Home Instruction:					
Salaries of teachers	40,000	(1,200)	38,800	8,195	30,605
Purchased professional - educ services	15,000	(1,388)	13,612	11,365	2,247
Total Home Instruction	55,000	(2,588)	52,412	19,560	32,852
Regular Programs - Undistributed Instruction:					
Salaries of teachers	-	-	-	-	-
Other salaries for instruction	433,788	(74,700)	359,088	255,337	103,751
Purchased professional - educ services	370,000	210,040	580,040	570,729	9,311
Other purchased services (400-500 series)	30,000	(24,443)	5,557	5,557	-
General supplies	941,315	(28,766)	912,549	911,248	1,301
Textbooks	150,758	(26,505)	124,253	124,253	-
Other objects	-	190	190	190	-
Total Undistributed Instruction	1,925,861	55,816	1,981,677	1,867,314	114,363
Total - Regular Programs - Instruction	15,231,637	(203,027)	15,028,610	14,881,395	147,215

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	\$ 143,115	\$ 5,877	\$ 148,992	\$ 148,992	\$ -
Purchased prof. and educational services	16,950	6,186	23,136	23,136	-
General supplies	2,000	53	2,053	2,053	-
Textbooks		55	55	55	-
<u>Total Multiple Disabilities</u>	<u>162,065</u>	<u>12,171</u>	<u>174,236</u>	<u>174,236</u>	<u>-</u>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	2,799,195	10,125	2,809,320	2,809,320	-
Other salaries for instruction	231,278	(66,506)	164,772	164,772	-
General supplies	5,000	(1,756)	3,244	3,244	-
<u>Total Resource Room/Resource Center</u>	<u>3,035,473</u>	<u>(58,137)</u>	<u>2,977,336</u>	<u>2,977,336</u>	<u>-</u>
Special Educ Instruction: Preschool Disabilities PT					
Salaries of teachers	318,215	(3,633)	314,582	314,582	-
Other salaries for instruction	129,309	(67,246)	62,063	62,063	-
Purchased prof. and educational services	12,550	(11,950)	600	600	-
General supplies	1,456	2,437	3,893	3,893	-
<u>Total Preschool Disabilities PT</u>	<u>461,530</u>	<u>(80,392)</u>	<u>381,138</u>	<u>381,138</u>	<u>-</u>
Special Educ Instruction: Home Instruction					
Purchased professional - educ services	24,500	18,603	43,103	42,263	840
<u>Total Home Instruction</u>	<u>24,500</u>	<u>18,603</u>	<u>43,103</u>	<u>42,263</u>	<u>840</u>
<u>Total Special Education - Instruction</u>	<u>3,683,568</u>	<u>(107,755)</u>	<u>3,575,813</u>	<u>3,574,973</u>	<u>840</u>
School-Sponsored Cocurricular Act - Inst.					
Salaries	448,000	(15,765)	432,235	429,675	2,560
Purchased services (300-500)	-	3,698	3,698	3,698	-
Supplies and materials	19,600	(8,665)	10,935	10,935	-
<u>Total School-Sponsored Cocurr. Act. - Inst</u>	<u>467,600</u>	<u>(20,732)</u>	<u>446,868</u>	<u>444,308</u>	<u>2,560</u>
School-Sponsored Athletics - Inst.					
Salaries	512,875	17,739	530,614	530,614	-
Purchased services (300-500)	133,700	(756)	132,944	128,476	4,468
Supplies and materials	106,209	-	106,209	99,138	7,071
Other objects	600	(600)	-	-	-
<u>Total School-Sponsored Athletics - Inst</u>	<u>753,384</u>	<u>16,383</u>	<u>769,767</u>	<u>758,228</u>	<u>11,539</u>
Summer School - Instruction					
Salaries of Teachers	85,000	28,860	113,860	113,860	-
<u>Total Summer School - Instruction</u>	<u>85,000</u>	<u>28,860</u>	<u>113,860</u>	<u>113,860</u>	<u>-</u>
Summer School - Support					
Supplies and materials	-	729	729	729	-
<u>Total Summer School - Support</u>	<u>-</u>	<u>729</u>	<u>729</u>	<u>729</u>	<u>-</u>
Other Instructional Programs - Instruction					
Salaries	162,500	(36,303)	126,197	66,751	59,446
<u>Total Other Instructional Programs - Inst.</u>	<u>162,500</u>	<u>(36,303)</u>	<u>126,197</u>	<u>66,751</u>	<u>59,446</u>
Undistributed Expenditures - Instruction					
Tuition to county voc school dist - regular	15,000	(7,000)	8,000	8,000	-
Tuition to CSSD and Regional Day Schools	169,000	(19,792)	149,208	149,208	-
Tuition to priv. sch. for the disabled w/i state	500,885	(7,158)	493,727	493,727	-
other lea's - out of state	-	200,000	200,000	200,000	-
<u>Total Undistributed Expenditures - Instruction</u>	<u>684,885</u>	<u>166,050</u>	<u>850,935</u>	<u>850,935</u>	<u>-</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Attend. and Social Work					
Salaries	\$ 91,586	\$ (338)	\$ 91,248	\$ 91,248	\$ -
Purchased prof. and technical services	-	-			-
Total Undistributed Expenditures - Attendance	91,586	(338)	91,248	91,248	-
Undistributed Expenditures - Health Services					
Salaries	407,632	(515)	407,117	407,117	-
Purchased prof. and technical services	20,000	16,514	36,514	36,308	206
Supplies and materials	16,000	(1,359)	14,641	14,641	-
Supplies and materials - menstrual products		20,237	20,237	20,237	-
Other objects	500	(160)	340	340	-
Total Undistributed Expenditures - Health Svcs.	444,132	34,717	478,849	478,643	206
Undist. Expend. - Speech, OT, PT & Rel. Serv.					
Salaries	738,071	(43,431)	694,640	694,640	-
Purchased prof. and educational services	372,470	(83,514)	288,956	288,956	-
Supplies and materials	6,500	(1,104)	5,396	5,396	-
Total Undst. Expend. - Speech, OT, PT & Rel. Serv.	1,117,041	(128,049)	988,992	988,992	-
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Salaries	131,704	18,896	150,600	150,600	-
Purchased prof. and educational services	2,742,000	287,230	3,029,230	3,003,156	26,074
Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.	2,873,704	306,126	3,179,830	3,153,756	26,074
Undist. Expenditures - Guidance					
Salaries of other professional staff	825,503	(4,263)	821,240	821,240	-
Salaries of secretarial and clerical assistants	64,118	1,097	65,215	65,215	-
Supplies and materials	20,615	(5,875)	14,740	14,740	-
Other objects	4,000	(3,642)	358	358	-
Total Undst. Expenditures - Guidance	914,236	(12,683)	901,553	901,553	-
Undist. Expend. - Child Study Teams					
Salaries of other professional staff	1,056,344	9,498	1,065,842	1,065,842	-
Salaries of secretarial and clerical assistants	136,358	1,022	137,380	137,380	-
Purchased prof. and educational services	42,000	(5,233)	36,767	36,767	-
Other purchased services (400-500 Series)	50,259	(14,935)	35,324	35,324	-
Supplies and materials	12,800	(102)	12,698	12,698	-
Other objects	2,860	(1,970)	890	890	-
Total Undst. Expenditures - Child Study Teams	1,300,621	(11,720)	1,288,901	1,288,901	-
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisors of instruction	336,384	-	336,384	336,384	-
Purchased prof. and educational services	134,550	(7,226)	127,324	127,324	-
Other purchased services (400-500)	71,600	(1,315)	70,285	70,285	-
Supplies and materials		-			-
Other objects	7,360	1,474	8,834	8,834	-
Total Undst. Expend. - Improvement of Instr. Services	549,894	(7,067)	542,827	542,827	-
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	586,218	(29,297)	556,921	556,921	-
Salaries of technology coordinators	159,823	32,975	192,798	192,798	-
Supplies and materials	28,704	(3,043)	25,661	25,661	-
Other objects	-	80	80	80	-
Total Undst. Expend. - Educ. Media Serv./Sch. Library	774,745	715	775,460	775,460	-

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Instructional Staff Training Services					
Other purchased services	\$ 14,600	\$ 7,067	\$ 21,667	\$ 11,505	\$ 10,162
Travel	-	-	-	-	-
Total Undst. Expend. - Instr. Staff Training Services	14,600	7,067	21,667	11,505	10,162
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	514,780	(370)	514,410	499,262	15,148
Legal services	300,000	-	300,000	235,105	64,895
Audit fees	31,000	-	31,000	31,000	-
Architectural/engineering	90,000	(11,120)	78,880	25,880	53,000
Other purchased professional services	17,675	24,112	41,787	40,412	1,375
Purchased technical services	2,000	(130)	1,870	-	1,870
Communications / telephone	90,680	(3,027)	87,653	87,143	510
BOE other purchased services	19,900	4,570	24,470	21,943	2,527
Misc purchased services (400-500)	52,800	7,552	60,352	59,367	985
General supplies	3,000	3,445	6,445	4,681	1,764
Judgements against the school district	150,000	(22,858)	127,142	40,012	87,130
Miscellaneous expenditures	6,300	3,316	9,616	9,616	-
BOE memberships/dues	20,000	(5,470)	14,530	14,530	-
Total Undst. Expend. - Supp. Serv. General Admin.	1,298,135	20	1,298,155	1,068,951	229,204
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	945,802	(8,842)	936,960	936,960	-
Salaries of other professional staff	225,132	-	225,132	225,132	-
Salaries of secretarial and clerical assistants	529,083	6,557	535,640	535,640	-
Other purchased services	162,540	643	163,183	109,354	53,829
Supplies and materials	106,765	1,489	108,254	107,287	967
Other objects	9,620	153	9,773	9,773	-
Total Undst. Expend. - Supp. Serv. School Admin.	1,978,942	-	1,978,942	1,924,146	54,796
Undist. Expend. - Central Services					
Salaries	439,717	(1,130)	438,587	438,587	-
Purchased professional services	97,579	(10,423)	87,156	87,156	-
Purchased technical services	41,000	(25,967)	15,033	14,631	402
Misc. purch. services (400-500 series)	5,000	(78)	4,922	4,922	-
Supplies and materials	10,000	39,847	49,847	13,626	36,221
Miscellaneous expenditures	3,300	(1,151)	2,149	1,939	210
Total Undst. Expend. - Central Services	596,596	1,098	597,694	560,861	36,833
Undist. Expend. - Admin. Info. Technology					
Purchased technical services	18,500	(2,245)	16,255	16,255	-
Other purch. services (400-500 series)	-	1,156	1,156	1,156	-
Supplies and materials	9,400	-	9,400	9,400	-
Other objects	900	(10)	890	890	-
Total Undst. Expend. - Admin. Info. Technology	28,800	(1,099)	27,701	27,701	-
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	620,754	(110,067)	510,687	510,687	-
Cleaning, repair, and maintenance services	184,500	773,562	958,062	697,263	260,799
Lead testing and drinking water	8,500	(1,201)	7,299	7,299	-
General supplies	170,000	55,689	225,689	225,423	266
Other objects	5,000	(3,450)	1,550	1,550	-
Total Undst. Expend. - Required Maint. Sch. Facilities	988,754	714,533	1,703,287	1,442,222	261,065

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services					
Purchased professional & tech. services	\$ 10,000	\$ 8,838	\$ 18,838	\$ 18,838	\$ -
Cleaning, repair and maintenance services	1,444,427	(20,052)	1,424,375	1,352,167	72,208
Rental of land & bldg. oth. than lease purch. agrmt.	207,672	112,003	319,675	319,675	-
Lease purchase payments - energy savings impr. program	5,200	(5,200)	-	-	-
Other purchased property services	180,000	6,436	186,436	178,885	7,551
Insurance	215,000	(52,776)	162,224	162,224	-
General supplies	105,000	(30,164)	74,836	74,836	-
Energy (natural gas)	250,000	(13,554)	236,446	230,436	6,010
Energy (electricity)	580,000	(30,349)	549,651	549,651	-
Energy (gasoline)	20,000	4,483	24,483	24,483	-
Total Undst. Expend. - Custodial Services	3,017,299	(20,335)	2,996,964	2,911,195	85,769
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	253,301	13,614	266,915	266,915	-
Cleaning, repair and maintenance services	41,160	(14,327)	26,833	26,158	675
General supplies	60,000	(7,372)	52,628	48,923	3,705
Total Undst. Expend. - Care and Upkeep of Grounds	354,461	(8,085)	346,376	341,996	4,380
Undist. Expend. - Security					
Purchased professional & tech. services	85,800	(31,449)	54,351	54,351	-
General supplies	1,765	1,626	3,391	3,391	-
Total Undst. Expend. - Security	87,565	(29,823)	57,742	57,742	-
Total Undst. Expend. - Oper. & Maint. of Plant Services	4,448,079	656,290	5,104,369	4,753,155	351,214
Undist. Expend. - Student Trans. Services					
Salaries of non-instructional aides	32,130	382	32,512	32,512	-
Salaries for pupil trans (bet home & sch) - regular	34,690	10,552	45,242	45,242	-
Salaries for pupil trans (bet home & sch) - special	396,526	(238,649)	157,877	107,871	50,006
Salaries for pupil trans (other than bet home & sch)	218,612	(128,905)	89,707	79,495	10,212
Management fee - ESC & CTSA trans. program	10,000	22,749	32,749	31,294	1,455
Other purchased professional and technical services	2,000	(1,500)	500	500	-
Cleaning, repair, and maintenance services	40,000	122	40,122	38,952	1,170
Contr. serv. (other than bet. home & sch.) - vendors	15,000	52,905	67,905	67,365	540
Contr. serv. (sp ed stds) - ESC's & CTSA's	250,000	295,229	545,229	525,654	19,575
General supplies	2,000	(2,000)	-	-	-
Other objects	2,000	(122)	1,878	518	1,360
Total Undst. Expend. - Student Trans. Services	1,002,958	10,763	1,013,721	929,403	84,318
Unallocated Benefits - Employee Benefits					
Social security contributions	470,000	-	470,000	414,852	55,148
Other retirement contributions - PERS	500,000	-	500,000	487,644	12,356
Other retirement contributions - Regular	35,000	-	35,000	31,862	3,138
Workmen's compensation	295,000	120,560	415,560	386,275	29,285
Health benefits	6,770,643	(346,800)	6,423,843	6,170,240	253,603
Tuition reimbursement	50,000	-	50,000	27,529	22,471
Other employee benefits	172,500	(8,955)	163,545	138,968	24,577
Unused sick pay to terminated/retired staff	50,000	8,955	58,955	58,955	-
Total Unallocated Benefits - Employee Benefits	8,343,143	(226,240)	8,116,903	7,716,325	400,578
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	6,500,420	(6,500,420)
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,899,428	(1,899,428)
On-behalf TPAF LTDI (non-budgeted)	-	-	-	3,112	(3,112)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	1,484,498	(1,484,498)
Total Undistributed Expenditures - TPAF	-	-	-	9,887,458	(9,887,458)
Total Undistributed Expenditures	26,462,097	795,650	27,257,747	35,951,820	(8,694,073)
Total General Current Expense	46,845,786	473,805	47,319,591	55,792,064	(8,472,473)

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY					
Equipment:					
Multiple disabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Custodial services	46,489	-	46,489	46,489	-
Care and upkeep of grounds	-	6,195	6,195	6,195	-
Total Equipment	<u>46,489</u>	<u>6,195</u>	<u>52,684</u>	<u>52,684</u>	<u>-</u>
Facilities Acquisition and Construction Services					
Architectural/engineering services	252,955	-	252,955	42,971	209,984
Construction services	2,650,000	90,151	2,740,151	89,723	2,650,428
Land and improvements	90,151	(90,151)	-	-	-
Assessment for debt service on SDA funding	115,381	-	115,381	115,381	-
Total Facilities Acquisition and Construction Services	<u>3,108,487</u>	<u>-</u>	<u>3,108,487</u>	<u>248,075</u>	<u>2,860,412</u>
Assets acquired under financed purchases (non-budgeted):					
Energy Efficiency Improvements	-	-	-	3,696,000	(3,696,000)
Total Assets acquired under financed purchases	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,696,000</u>	<u>(3,696,000)</u>
Total Capital Outlay	<u>3,154,976</u>	<u>6,195</u>	<u>3,161,171</u>	<u>3,996,759</u>	<u>(835,588)</u>
Transfer of Funds to Charter Schools	-	-	-	-	-
Total Expenditures	<u>50,000,762</u>	<u>480,000</u>	<u>50,480,762</u>	<u>59,788,823</u>	<u>(9,308,061)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(4,782,508)</u>	<u>(480,000)</u>	<u>(5,262,508)</u>	<u>(3,854,239)</u>	<u>1,408,269</u>
Other Financing Sources (Uses):					
Proceeds of Financed Purchase	-	-	-	3,696,000	3,696,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,696,000</u>	<u>3,696,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(4,782,508)</u>	<u>(480,000)</u>	<u>(5,262,508)</u>	<u>(158,239)</u>	<u>5,104,269</u>
Fund Balance, July 1	<u>9,496,789</u>	<u>-</u>	<u>9,496,789</u>	<u>9,496,789</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4,714,281</u>	<u>\$ (480,000)</u>	<u>\$ 4,234,281</u>	<u>\$ 9,338,550</u>	<u>\$ 5,104,269</u>
Recapitulation of Fund Balance:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ -	
Capital Reserve				984,647	
Maintenance Reserve					
Designated for Subsequent Year's Expenditures				300,000	
Maintenance Reserve				1,122,581	
Excess Surplus:					
Current Year				1,227,788	
Designated for Subsequent Year's Expenditures				919,559	
Unemployment Compensation				431,861	
Assigned:					
Year-end encumbrances				3,011,342	
Designated for Subsequent Year's Expenditures				414,677	
Unassigned				<u>926,095</u>	
				<u>9,338,550</u>	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				<u>(310,263)</u>	
Fund Balance per Government Fund (GAAP)				<u>\$ 9,028,287</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ -	\$ 42,793	\$ 42,793	\$ 873,822	\$ 831,029
State sources	-	507,687	507,687	439,534	(68,153)
Federal sources	701,684	201,800	903,484	730,644	(172,840)
Total revenues	<u>701,684</u>	<u>752,280</u>	<u>1,453,964</u>	<u>2,044,000</u>	<u>590,036</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	-	12,536	12,536	12,536	-
Purchased professional - educ. services	-	317,864	317,864	261,432	56,432
Purchased professional - tech. services	-	96,201	96,201	58,439	37,762
Tuition	676,939	(136,190)	540,749	540,749	-
Other purchased services	-	-	-	-	-
General supplies	-	117,118	117,118	83,777	33,341
Textbooks	-	20,967	20,967	20,343	624
Total instruction	<u>676,939</u>	<u>428,496</u>	<u>1,105,435</u>	<u>977,276</u>	<u>128,159</u>
Support services:					
Salaries	-	36,204	36,204	36,204	-
Personal services - employee benefits	-	1,724	1,724	1,724	-
Purchased professional and technical services	24,745	143,645	168,390	107,601	60,789
Purchased property services	-	44,973	44,973	1,400	43,573
Other purchased services	-	93,985	93,985	83,424	10,561
Supplies and materials	-	3,253	3,253	3,253	-
Student Activities	-	-	-	750,081	(750,081)
Total support services	<u>24,745</u>	<u>323,784</u>	<u>348,529</u>	<u>983,687</u>	<u>(635,158)</u>
Facilities acquisition and construction services:					
Instructional equipment	-	-	-	-	-
Total facilities acq. and const. services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>701,684</u>	<u>752,280</u>	<u>1,453,964</u>	<u>1,960,963</u>	<u>(506,999)</u>
Total outflows	<u>701,684</u>	<u>752,280</u>	<u>1,453,964</u>	<u>1,960,963</u>	<u>(506,999)</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>83,037</u>	<u>\$ 83,037</u>
Fund Balance, July 1				<u>671,113</u>	
Fund Balance, June 30				<u>\$ 754,150</u>	
Recapitulation:					
Restricted:					
Student Activities				<u>\$ 754,150</u>	
Total Fund Balance				<u>\$ 754,150</u>	

Haddonfield School District
Notes to Required Supplementary Information
Budgetary Comparison
Fiscal Year Ended June 30, 2025

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 55,934,584	\$ 2,044,000
Differences - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		
Prior Year		53,098
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	271,930	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(310,263)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 55,896,251	\$ 2,097,098
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 59,788,823	\$ 1,960,963
Differences - budget to GAAP		
Encumbrances for goods and services ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		
Prior Year		53,098
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 59,788,823	\$ 2,014,061

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions and
Other Post Employment Benefits

HADDONFIELD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
District's proportion of the net pension liability (asset)	0.0358368240%	0.0339706502%	0.0368983569%	0.0360480020%	0.0347172313%	0.0325830399%	0.0312897579%	0.0325130840%	0.0340464726%	0.0324206920%
District's proportionate share of the net pension liability (asset)	\$ 4,869,524	\$ 4,920,436	\$ 5,568,470	\$ 4,270,426	\$ 5,661,473	\$ 5,870,969	\$ 6,160,797	\$ 7,568,526	\$ 10,083,589	\$ 7,277,796
District's covered-employee payroll	2,598,604	2,645,384	2,776,380	2,524,963	2,574,311	2,478,927	2,430,050	2,227,451	2,278,255	2,430,165
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	187.39%	186.00%	200.57%	169.13%	219.92%	236.84%	253.53%	339.78%	442.60%	299.48%
Plan fiduciary net position as a percentage of the total pension liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

**HADDONFIELD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years**

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually required contribution	\$ 454,077	\$ 487,644	\$ 454,028	\$ 465,306	\$ 422,164	\$ 379,789	\$ 318,382	\$ 311,232	\$ 301,199	\$ 302,464
Contributions in relation to the contractually required contributions	<u>(454,077)</u>	<u>(487,644)</u>	<u>(454,028)</u>	<u>(465,306)</u>	<u>(422,164)</u>	<u>(379,789)</u>	<u>(318,382)</u>	<u>(311,232)</u>	<u>(301,199)</u>	<u>(302,464)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 2,598,604	\$ 2,645,384	\$ 2,776,380	\$ 2,524,963	\$ 2,574,311	\$ 2,478,927	\$ 2,430,050	\$ 2,227,451	\$ 2,278,255	\$ 2,430,165
Contributions as a percentage of covered-employee payroll	17.47%	18.43%	16.35%	18.43%	16.40%	15.32%	13.10%	13.97%	13.22%	12.45%

HADDONFIELD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Ten Fiscal Years

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	78,036,611	81,937,178	81,637,210	75,125,327	100,854,997	93,172,085	99,565,515	104,590,250	124,115,064	98,340,169
Total	\$ 78,036,611	\$ 81,937,178	\$ 81,637,210	\$ 75,125,327	\$ 100,854,997	\$ 93,172,085	\$ 99,565,515	\$ 104,590,250	\$ 124,115,064	\$ 98,340,169
District's covered-employee payroll	\$ 20,887,653	\$ 19,636,509	\$ 18,826,778	\$ 18,917,602	\$ 17,699,831	\$ 17,646,754	\$ 17,086,197	\$ 15,731,551	\$ 15,957,509	\$ 16,105,639
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

HADDONFIELD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employees' Retirement System and Teachers' Pension and Annuity Fund
Last Eight Fiscal Years

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability Associated with the School District								
Service Cost	\$ 3,156,838	\$ 3,233,386	\$ 4,079,325	\$ 4,641,637	\$ 2,587,050	\$ 2,372,668	\$ 2,704,882	\$ 3,267,188
Interest	2,917,883	2,777,065	2,022,957	2,271,636	2,180,349	2,635,114	2,929,094	2,531,281
Changes in benefit terms	-	-	-	(93,207)	-	-	-	-
Difference between expected and actual experiences	(764,050)	(1,558,785)	5,080,410	(16,892,716)	17,519,682	(10,178,873)	(9,624,814)	-
Changes of assumptions	6,631,597	158,933	(20,477,499)	86,394	18,136,274	902,649	(7,643,971)	(10,484,288)
Member Contributions	76,304	71,166	64,283	58,075	52,391	55,088	61,560	68,202
Benefit payments	<u>(2,228,435)</u>	<u>(2,164,767)</u>	<u>(2,003,799)</u>	<u>(1,789,413)</u>	<u>(1,728,500)</u>	<u>(1,858,382)</u>	<u>(1,781,160)</u>	<u>(1,852,174)</u>
Net Change in total OPEB Liability	9,790,137	2,516,998	(11,234,323)	(11,717,594)	38,747,246	(6,071,736)	(13,354,409)	(6,469,791)
Total Non-Employer OPEB Liability - beginning	<u>78,851,814</u>	<u>76,334,816</u>	<u>87,569,139</u>	<u>99,286,733</u>	<u>60,539,487</u>	<u>66,611,223</u>	<u>79,965,632</u>	<u>86,435,423</u>
Total Non-Employer OPEB Liability - ending	<u>\$ 88,641,951</u>	<u>\$ 78,851,814</u>	<u>\$ 76,334,816</u>	<u>\$ 87,569,139</u>	<u>\$ 99,286,733</u>	<u>\$ 60,539,487</u>	<u>\$ 66,611,223</u>	<u>\$ 79,965,632</u>
District's covered-employee payroll	\$ 23,486,257	\$ 22,281,893	\$ 21,603,150	\$ 21,442,565	\$ 20,274,142	\$ 20,125,681	\$ 19,516,247	\$ 17,959,002
Total OPEB Liability as a percentage of covered-employee payroll	377.42%	353.88%	353.35%	408.39%	489.72%	300.81%	341.31%	445.27%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Haddonfield School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2025

Teacher’s Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

Public Employees’ Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed from 3.65% as of June 30, 2023 to 3.93% as of June 30, 2024.

Health care trend rates – June 30, 2024: 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 rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Health care trend rates – June 30, 2023: For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Other Supplementary Information

Special Revenue Fund

HADDONFIELD SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year ended June 30, 2025

	Brought Forward (Exh. E-1a)	Brought Forward (Exh. E-1b)	Brought Forward (Exh. E-1c)	Total
REVENUES:				
Local sources	\$ -	\$ -	\$ 873,822	\$ 873,822
State sources	346,077	93,457	-	439,534
Federal sources	-	730,644	-	730,644
Total revenues	<u>346,077</u>	<u>824,101</u>	<u>873,822</u>	<u>2,044,000</u>
EXPENDITURES:				
<u>Instruction:</u>				
Salaries of Teachers	1,134	11,402	-	12,536
Purchased professional educational services	261,432	-	-	261,432
Purchased professional and technical services	-	56,826	1,613	58,439
Tuition	-	540,749	-	540,749
Other purchased services	-	-	-	-
General supplies	-	44,686	39,091	83,777
Textbooks	-	20,343	-	20,343
Total instruction	<u>262,566</u>	<u>674,006</u>	<u>40,704</u>	<u>977,276</u>
<u>Support services:</u>				
Salaries	-	36,204	-	36,204
Employee Benefits	87	1,637	-	1,724
Purchased professional and technical services	-	107,601	-	107,601
Purchased property services	-	1,400	-	1,400
Other purchased services	83,424	-	-	83,424
General Supplies	-	3,253	-	3,253
Student Activities	-	-	750,081	750,081
Total support services	<u>83,511</u>	<u>150,095</u>	<u>750,081</u>	<u>983,687</u>
<u>Facilities acquisition & construction services</u>				
Building	-	-	-	-
Instructional equipment	-	-	-	-
Total facilities acquisition & construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>346,077</u>	<u>824,101</u>	<u>790,785</u>	<u>1,960,963</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	83,037	83,037
Fund Balance, July 1	-	-	671,113	671,113
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 754,150</u>	<u>\$ 754,150</u>

HADDONFIELD SCHOOL DISTRICT
Special Revenue Fund
 Combining Statement of Revenues and Expenditures
 Budgetary Basis
 for the Fiscal Year ended June 30, 2025

	<u>Nonpublic Auxiliary Services</u>		<u>Nonpublic Handicapped Services</u>			<u>Nonpublic Security</u>	<u>Nonpublic Teacher Stem Grant</u>	<u>Carried Forward (Exh. E-1)</u>
	<u>Compensatory Education</u>	<u>Transportation</u>	<u>Corrective Speech</u>	<u>Supplemental Instruction</u>	<u>Exam, & Classification</u>			
REVENUES:								
State sources	\$ 119,819	\$ 4,974	\$ 39,432	\$ 50,551	\$ 46,656	\$ 83,424	\$ 1,221	\$ 346,077
Total revenues	119,819	4,974	39,432	50,551	46,656	83,424	1,221	346,077
EXPENDITURES:								
<u>Instruction:</u>								
Salaries of Teachers							1,134	1,134
Purchased professional educational services	119,819	4,974	39,432	50,551	46,656			261,432
Total instruction	119,819	4,974	39,432	50,551	46,656	-	1,134	262,566
<u>Support services:</u>								
Employee benefits							87	87
Other purchased services						83,424		83,424
General Supplies								-
Total support services	-	-	-	-	-	83,424	87	83,511
<u>Facilities acquisition & construction services</u>								
Instructional equipment								
Total facilities acquisition & construction services	-	-	-	-	-	-	-	-
Total expenditures	119,819	4,974	39,432	50,551	46,656	83,424	1,221	346,077
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HADDONFIELD SCHOOL DISTRICT
Special Revenue Fund
 Combining Statement of Revenues and Expenditures
 Budgetary Basis
 for the Fiscal Year ended June 30, 2025

	Nonpublic Textbooks	Nonpublic Technology	Nonpublic Nursing	IDEA		Title I Current Year	Title II - Part A Current Year	ARP ESSER III Grant Program	ARP Evidence-Based Summer Learning	ARP NJTSS Mental Health	Carried Forward (Exh. E-1)
				Basic	Preschool						
				Current Yr.	Current Yr.						
REVENUES:											
State sources	\$ 20,343	\$ 20,090	\$ 53,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,457
Federal sources				625,562	29,376	16,789	30,023	1,400	26,204	1,290	730,644
Total revenues	20,343	20,090	53,024	625,562	29,376	16,789	30,023	1,400	26,204	1,290	824,101
EXPENDITURES:											
<u>Instruction:</u>											
Salaries of teachers						11,402					11,402
Purchased professional and educational services											-
Purchased professional and technical services			53,024				3,802				56,826
Tuition				540,749							540,749
Other purchased services											-
General supplies		20,090		18,770	1,311	4,515					44,686
Textbooks	20,343										20,343
	20,343	20,090	53,024	559,519	1,311	15,917	3,802	-	-	-	674,006
<u>Support services:</u>											
Salaries							10,000		26,204		36,204
Employee benefits						872	765				1,637
Purchased professional and technical services				66,043	24,812		15,456			1,290	107,601
Purchased property services								1,400			1,400
Other purchased services											-
General supplies					3,253						3,253
Total support services	-	-	-	66,043	28,065	872	26,221	1,400	26,204	1,290	150,095
<u>Facilities acquisition & construction services</u>											
Instructional equipment											-
Total facilities acquisition & construction services	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	20,343	20,090	53,024	625,562	29,376	16,789	30,023	1,400	26,204	1,290	824,101
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HADDONFIELD SCHOOL DISTRICT
Special Revenue Fund
 Combining Statement of Revenues and Expenditures
 Budgetary Basis
 for the Fiscal Year ended June 30, 2025

	HET Grant High School	HET Grant Middle School	HET Grant J. Fithian Tatem	Special Olympics Grant	Toshiba America Foundation	Student Activity & Athletics Fund	Carried Forward (Exh. E-1)
REVENUES:							
Local Sources	\$ 13,951	\$ 14,599	\$ 1,091	\$ 4,565	\$ 6,498	\$ 833,118	\$ 873,822
State sources							-
Federal sources							-
Total revenues	13,951	14,599	1,091	4,565	6,498	833,118	873,822
EXPENDITURES:							
<u>Instruction:</u>							
Salaries of teachers							-
Purchased professional and technical services					1,613		1,613
Other purchased services							-
General supplies	13,951	14,599	1,091	4,565	4,885		39,091
	<u>13,951</u>	<u>14,599</u>	<u>1,091</u>	<u>4,565</u>	<u>6,498</u>	<u>-</u>	<u>40,704</u>
<u>Support services:</u>							
Salaries							-
Employee benefits							-
Purchased professional and technical services							-
Other purchased services							-
General supplies							-
Student Activities						750,081	750,081
Total support services	-	-	-	-	-	750,081	750,081
<u>Facilities acquisition & construction services</u>							
Building							-
Instructional equipment							-
Total facilities acquisition & construction services	-	-	-	-	-	-	-
Total expenditures	13,951	14,599	1,091	4,565	6,498	750,081	790,785
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	83,037	83,037
Fund Balance, July 1	-	-	-	-	-	671,113	671,113
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 754,150</u>	<u>\$ 754,150</u>

Capital Projects Fund
Detail Statements

HADDONFIELD SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year ended June 30, 2025

Revenues and Other Financing Sources:

Bond Proceeds	\$ 46,692,000
Bond Premium	700
Interest Earned on Investments	476,758
	<hr/>
Total revenues and other financing sources	47,169,458

Expenditures and Other Financing (Uses):

Legal Services	71,161
Other Purchased Professional and Technical Services	677,692
Construction Services	987,794
Transfer to Debt Service Fund	477,458
	<hr/>
Total expenditures and other financing (uses)	2,214,105

Excess (deficiency) or revenues over (under) expenditures	44,955,353
Fund Balance - July 1	<hr/> -
Fund Balance - June 30	<hr/> <u>\$ 44,955,353</u>

HADDONFIELD SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Various Improvements to District Facilities
From Inception and for the Fiscal Year ended June 30, 2025

	Prior Periods	Current Year	Total	Revised Authorized Costs
Revenues and Other Financing Sources:				
Bond Proceeds	\$ -	\$ 46,692,000	\$ 46,692,000	\$ 46,692,000
Bond Premium	-	700	700	700
Interest Earned on Investments	-	476,758	476,758	476,758
Total revenues	-	47,169,458	47,169,458	47,169,458
Expenditures and Other Financing Uses:				
Legal Services	-	71,161	71,161	71,161
Other Purchased Professional and Techni	-	677,692	677,692	677,692
Construction Services	-	987,794	987,794	987,794
Transfer to Debt Service Fund	-	477,458	477,458	477,458
Total expenditures	-	2,214,105	2,214,105	2,214,105
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 44,955,353	\$ 44,955,353	\$ 44,955,353

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	12/10/24
Bonds Authorized	\$ 46,692,000
Bonds Issued	\$ 46,692,000
Original Authorized Cost	\$ 46,692,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 46,692,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original target completion date	
Revised target completion date	N/A

HADDONFIELD SCHOOL DISTRICT
Capital Projects Fund
 Summary Statement of Project Expenditures
 Year Ended June 30, 2025

<u>Issue/Project Title</u>	<u>Authorized Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Construction and various capital improvements to the District's facilities	12/10/24	\$ 46,692,000	\$ -	\$ 1,736,647	\$ 44,955,353
Total		<u>\$ 46,692,000</u>	<u>\$ -</u>	<u>\$ 1,736,647</u>	<u>\$ 44,955,353</u>

Proprietary Funds

HADDONFIELD SCHOOL DISTRICT
Enterprise Funds
Statement of Net Position
as of June 30, 2025

	Food Service	Total
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 443,084	\$ 443,084
Accounts receivable:		
State	398	398
Federal	4,360	4,360
Other	-	-
Inventories	23,095	23,095
 Total current assets	 470,937	 470,937
Fixed assets:		
Equipment	325,283	325,283
Less Accumulated depreciation	(236,730)	(236,730)
 Total fixed assets	 88,553	 88,553
 Total assets	 559,490	 559,490
 LIABILITIES		
Current liabilities:		
Accounts payable	-	-
Interfund payable	146,437	146,437
Unearned revenue	65,896	65,896
 Total current liabilities	 212,333	 212,333
 NET POSITION		
Net investment in capital assets	88,553	88,553
Unrestricted	258,604	258,604
 Total net position	 \$ 347,157	 \$ 347,157

HADDONFIELD SCHOOL DISTRICT
Enterprise Funds

Statement of Revenues, Expenses and Changes in Fund Net Position
for the Fiscal Years ended June 30, 2025

	Food Service	Total
OPERATING REVENUES:		
Local sources:		
Daily sales-reimbursable programs:		
School lunch program	\$ 383,889	\$ 383,889
Total-daily sales-reimbursable programs	383,889	383,889
Special functions	13,793	13,793
Daily sales non-reimbursable programs	421,727	421,727
Total operating revenue	819,409	819,409
OPERATING EXPENSES:		
Salaries	374,290	374,290
Employee benefits	57,987	57,987
Supplies and materials	32,208	32,208
Depreciation	7,523	7,523
Management fee	51,000	51,000
Cost of sales - reimbursable programs	208,923	208,923
Cost of sales - nonreimbursable programs	194,932	194,932
Cleaning and maintenance	2,967	2,967
Direct expenses	30,372	30,372
Total operating expenses	960,202	960,202
Operating income (loss)	(140,793)	(140,793)
Non-operating revenues:		
State sources:		
State school lunch program	6,797	6,797
Summer-EBT, state portion	321	321
Federal sources:		
National school lunch program	73,693	73,693
School breakfast program	1,756	1,756
Summer-EBT	322	322
U.S.D.A. commodities	53,065	53,065
Interest revenue	18,156	18,156
Total non-operating revenues	154,110	154,110
Net income (loss) before contributions and transfers	13,317	13,317
Operating Transfer Out	-	-
Change in net position	13,317	13,317
Net position - July 1	333,840	333,840
Net position - June 30	\$ 347,157	\$ 347,157

HADDONFIELD SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
for the Fiscal Years ended June 30, 2025

	Food Service	Total
Cash flows from operating activities:		
Cash receipts from customers	\$ 807,736	\$ 807,736
Cash payments to employees for services	(355,356)	(355,356)
Cash payments to suppliers for goods and services	(510,073)	(510,073)
Net cash used by operating activities	<u>(57,693)</u>	<u>(57,693)</u>
Cash flows from noncapital financing activities:		
Cash received from state and federal reimbursements	<u>82,188</u>	<u>82,188</u>
Net cash provided/(used) by noncapital financing activities	<u>82,188</u>	<u>82,188</u>
Cash flows from capital financing activities:		
Purchases of fixed assets	<u>(7,975)</u>	<u>(7,975)</u>
Net cash used by capital financing activities	<u>(7,975)</u>	<u>(7,975)</u>
Cash flows from investing activities:		
Interest on investments	<u>18,156</u>	<u>18,156</u>
Net cash provided by investing activities	<u>18,156</u>	<u>18,156</u>
Net increase (decrease) in cash and cash equivalents	34,676	34,676
Cash and cash equivalents, July 1	<u>408,408</u>	<u>408,408</u>
Cash and cash equivalents, June 30	<u>\$ 443,084</u>	<u>\$ 443,084</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (140,793)	\$ (140,793)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:		
Depreciation	7,523	7,523
Federal commodities	53,065	53,065
Change in assets and liabilities:		
(Increase)/decrease in inventory	15,393	15,393
(Increase)/decrease in accounts receivable	-	-
Increase/(decrease) in accounts payable	(57,158)	(57,158)
Increase/(decrease) in interfund payable	75,950	75,950
Increase/(decrease) in unearned revenue	(11,673)	(11,673)
Net cash used by operating activities	<u>\$ (57,693)</u>	<u>\$ (57,693)</u>

Long-Term Debt Schedules

HADDONFIELD SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Serial Bonds
 June 30, 2025

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2024	Issued	Retired	Balance June 30, 2025
			Date	Amount					
Refunding Bonds	10/27/20	\$ 5,510,000				\$ 1,795,000	\$ -	\$ 1,795,000	\$ -
School Bonds	09/14/16	35,251,000	09/01/25	\$ 2,200,000	2.00%	28,185,000	-	1,185,000	27,000,000
			09/01/26	2,200,000	2.00%				
			09/01/27	2,200,000	2.00%				
			09/01/28	2,200,000	2.00%				
			09/01/29	2,200,000	2.13%				
			09/01/30	2,200,000	2.13%				
			09/01/31	2,250,000	2.25%				
			09/01/32	2,270,000	2.25%				
			09/01/33	2,320,000	2.38%				
			09/01/34	2,320,000	3.00%				
			09/01/35	2,320,000	3.00%				
			09/01/36	2,320,000	3.00%				
				<u>\$ 27,000,000</u>					
School Bonds	04/02/25	46,692,000	04/15/27	\$ 1,725,000	1.00%				
			04/15/28	1,370,000	1.00%				
			04/15/29	1,446,000	1.00%				
			04/15/30	1,536,000	1.75%				
			04/15/31	1,627,000	4.00%				
			04/15/32	1,685,000	4.00%				
			04/15/33	1,772,000	4.00%				
			04/15/34	1,839,000	4.00%				
			04/15/35	1,961,000	4.00%				
			04/15/36	2,096,000	4.00%				
			04/15/37	2,235,000	4.00%				
			04/15/38	2,740,000	4.00%				
			04/15/39	2,740,000	4.00%				
			04/15/40	2,740,000	4.00%				
			04/15/41	2,740,000	4.00%				
			04/15/42	2,740,000	4.00%				
			04/15/43	2,740,000	4.00%				
			04/15/44	2,740,000	4.00%				
			04/15/45	2,740,000	4.00%				
			04/15/46	2,740,000	4.00%				
			04/15/47	2,740,000	4.00%				
				<u>\$ 46,692,000</u>					
Total						<u>\$ 29,980,000</u>	<u>\$ 46,692,000</u>	<u>\$ 2,980,000</u>	<u>\$ 73,692,000</u>

HADDONFIELD SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Obligations Under Leases
 June 30, 2025

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance 6/30/2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 6/30/2025</u>
Postage Meter	3.00%	8,317	\$ 4,983	\$ -	\$ 1,764	\$ 3,219
Board Office Rental	3.00%	402,753	307,724	-	99,517	208,207
Postage Meter	3.00%	8,317	<u>10,518</u>	<u>-</u>	<u>2,217</u>	<u>8,301</u>
			<u>\$ 323,225</u>	<u>\$ -</u>	<u>\$103,498</u>	<u>\$ 219,727</u>

**HADDONFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
Fiscal Year Ended June 30, 2025**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 3,040,784	\$ -	\$ 3,040,784	\$ 3,040,784	\$ -
Miscellaneous	-	-	-	-	-
Total revenues - local sources	<u>3,040,784</u>	<u>-</u>	<u>3,040,784</u>	<u>3,040,784</u>	<u>-</u>
State sources:					
Debt service aid type II	605,194	-	605,194	605,194	-
Total revenues - state sources	<u>605,194</u>	<u>-</u>	<u>605,194</u>	<u>605,194</u>	<u>-</u>
Total Revenues	<u>3,645,978</u>	<u>-</u>	<u>3,645,978</u>	<u>3,645,978</u>	<u>-</u>
EXPENDITURES:					
Regular debt service:					
Interest	665,978	-	665,978	665,977	1
Redemption of principal	2,980,000	-	2,980,000	2,980,000	-
Total Expenditures	<u>3,645,978</u>	<u>-</u>	<u>3,645,978</u>	<u>3,645,977</u>	<u>1</u>
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	1	1
Other Financing Sources (Uses):					
Operating transfer in	-	-	-	477,458	477,458
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>477,458</u>	<u>477,458</u>
Net change in fund balance	-	-	-	477,459	477,459
Fund Balances, July 1	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 477,460</u>	<u>\$ 477,459</u>

HADDONFIELD SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Obligations Under Financed Purchases
 June 30, 2025

Description	Interest Rate Payable	Amount of Original Issue	Balance June 30, 2024	Issued Current Year	Retired Current Year	Balance June 30, 2025
Toshiba Copiers	8.57%	\$ 209,637	\$ 180,606	-	\$ 37,676	\$ 142,930
Energy Savings Improvement Program	4.27%	3,696,000	-	3,696,000	-	3,696,000
Total			<u>\$ 180,606</u>	<u>\$ 3,696,000</u>	<u>\$ 37,676</u>	<u>\$ 3,838,930</u>

Statistical Section

Haddonfield School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-1

	Fiscal Year Ending June 30,									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities:										
Net investment in capital assets	\$ 12,153,719	\$ (22,807,300)	\$ (1,555,726)	\$ 11,388,167	\$ 12,553,282	\$ 13,867,260	\$ 15,112,201	\$ 16,316,684	\$ 17,269,121	\$ (30,188,520)
Restricted for:										
Special revenue	-	-	-	-	-	449,949	421,192	532,516	671,113	754,150
Capital projects	1,153,874	35,398,343	14,057,596	3,698,157	4,073,391	3,296,525	3,412,643	3,277,290	3,324,128	45,940,000
Debt service	185,588	255,067	157,619	126,419	38,933	27,417	27,418	1	1	477,460
Other purposes	1,428,749	1,409,679	2,319,682	2,278,048	3,442,419	3,280,546	2,695,280	3,427,251	4,503,767	4,001,789
Unrestricted	<u>(7,492,346)</u>	<u>(8,853,533)</u>	<u>(8,791,484)</u>	<u>(8,463,167)</u>	<u>(8,328,141)</u>	<u>(6,532,167)</u>	<u>(5,006,450)</u>	<u>(4,253,911)</u>	<u>(5,094,609)</u>	<u>(2,869,754)</u>
Total governmental activities net position	<u>\$ 7,429,584</u>	<u>\$ 5,402,256</u>	<u>\$ 6,187,687</u>	<u>\$ 9,027,624</u>	<u>\$ 11,779,884</u>	<u>\$ 14,389,530</u>	<u>\$ 16,662,284</u>	<u>\$ 19,299,831</u>	<u>\$ 20,673,521</u>	<u>\$ 18,115,125</u>
Business-type activities:										
Net investment in capital assets	\$ 31,236	\$ 13,464	\$ 4,049	\$ 9,169	\$ 21,845	\$ 18,869	\$ 16,322	\$ 14,129	\$ 88,101	\$ 88,553
Unrestricted	<u>72,580</u>	<u>69,774</u>	<u>74,157</u>	<u>129,844</u>	<u>30,852</u>	<u>56,847</u>	<u>249,993</u>	<u>252,445</u>	<u>245,739</u>	<u>258,604</u>
Total business-type activities net position	<u>\$ 103,816</u>	<u>\$ 83,238</u>	<u>\$ 78,206</u>	<u>\$ 139,013</u>	<u>\$ 52,697</u>	<u>\$ 75,716</u>	<u>\$ 266,315</u>	<u>\$ 266,574</u>	<u>\$ 333,840</u>	<u>\$ 347,157</u>
District-wide:										
Net investment in capital assets	\$ 12,184,955	\$ (22,793,836)	\$ (1,551,677)	\$ 11,397,336	\$ 12,575,127	\$ 13,886,129	\$ 15,128,523	\$ 16,330,813	\$ 17,357,222	\$ (30,099,967)
Restricted:										
Special revenue	-	-	-	-	-	449,949	421,192	532,516	671,113	754,150
Capital projects	1,153,874	35,398,343	14,057,596	3,698,157	4,073,391	3,296,525	3,412,643	3,277,290	3,324,128	45,940,000
Debt service	185,588	255,067	157,619	126,419	38,933	27,417	27,418	1	1	477,460
Other purposes	1,428,749	1,409,679	2,319,682	2,278,048	3,442,419	3,280,546	2,695,280	3,427,251	4,503,767	4,001,789
Unrestricted	<u>(7,419,766)</u>	<u>(8,783,759)</u>	<u>(8,717,327)</u>	<u>(8,333,323)</u>	<u>(8,297,289)</u>	<u>(6,475,320)</u>	<u>(4,756,457)</u>	<u>(4,001,466)</u>	<u>(4,848,870)</u>	<u>(2,611,150)</u>
Total district net position	<u>\$ 7,533,400</u>	<u>\$ 5,485,494</u>	<u>\$ 6,265,893</u>	<u>\$ 9,166,637</u>	<u>\$ 11,832,581</u>	<u>\$ 14,465,246</u>	<u>\$ 16,928,599</u>	<u>\$ 19,566,405</u>	<u>\$ 21,007,361</u>	<u>\$ 18,462,282</u>

Haddonfield School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 12,942,732	\$ 13,213,069	\$ 13,408,270	\$ 14,202,775	\$ 15,001,834	\$ 15,275,460	\$ 16,163,585	\$ 15,880,366	\$ 16,696,260	\$ 16,959,812
Special education	4,685,393	3,663,913	3,633,508	3,623,326	3,844,395	3,601,992	3,746,214	4,108,133	4,058,554	4,135,803
Other instruction	1,223,191	1,005,895	1,015,807	1,091,663	1,179,156	1,172,825	1,306,649	1,346,322	1,439,546	1,383,876
Support Services:										
Tuition	1,025,530	670,140	504,587	583,585	590,303	783,674	632,995	324,734	512,922	850,935
Student & instruction related services	3,675,280	4,309,090	4,974,480	5,248,289	5,245,822	6,916,400	8,503,772	8,127,757	8,748,723	9,224,460
School administrative services	1,469,020	1,543,320	1,615,372	1,936,960	1,882,135	1,784,712	1,827,529	1,850,247	1,845,799	1,924,146
General and business administrative services	1,463,484	1,652,213	1,935,445	1,768,908	1,785,829	2,055,062	1,961,304	2,193,203	2,015,271	1,857,459
Plant operations and maintenance	5,236,458	6,182,702	5,246,291	4,028,611	4,501,881	5,734,660	4,760,554	5,247,476	6,540,640	8,908,319
Pupil transportation	498,304	509,109	548,993	548,607	454,038	389,553	495,076	614,357	845,039	929,403
Unallocated employee benefits	9,510,343	10,953,773	23,011,313	19,709,942	18,411,161	24,641,484	21,139,577	20,038,264	21,131,628	20,259,070
Special schools	115,363	131,437	43,602	65,291	-	-	-	-	-	-
Charter schools	-	-	-	-	-	-	26,544	28,314	-	-
Interest on long-term debt	459,660	925,848	1,295,356	1,107,655	1,036,062	874,844	768,425	731,166	692,427	1,030,923
Unallocated depreciation	56,188	52,726	49,258	56,738	88,927	37,420	38,163	93,138	92,382	92,123
Total governmental activities expenses	<u>42,360,946</u>	<u>44,813,235</u>	<u>57,282,282</u>	<u>53,972,350</u>	<u>54,021,543</u>	<u>63,268,086</u>	<u>61,370,387</u>	<u>60,583,477</u>	<u>64,619,191</u>	<u>67,556,329</u>
Business-type activities:										
Community Education	134,587	110,644	92,449	85,629	-	-	-	-	-	-
Food service	592,657	609,298	602,426	652,980	547,162	256,342	942,265	969,147	914,461	960,202
Total business-type activities expense	<u>727,244</u>	<u>719,942</u>	<u>694,875</u>	<u>738,609</u>	<u>547,162</u>	<u>256,342</u>	<u>942,265</u>	<u>969,147</u>	<u>914,461</u>	<u>960,202</u>
Total district expenses	<u>\$ 43,088,190</u>	<u>\$ 45,533,177</u>	<u>\$ 57,977,157</u>	<u>\$ 54,710,959</u>	<u>\$ 54,568,705</u>	<u>\$ 63,524,428</u>	<u>\$ 62,312,652</u>	<u>\$ 61,552,624</u>	<u>\$ 65,533,652</u>	<u>\$ 68,516,531</u>
Program Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 5,081,523	\$ 5,501,059	\$ 19,022,458	\$ 15,486,781	\$ 13,879,016	\$ 20,509,448	\$ 17,886,748	\$ 16,771,105	\$ 17,859,079	\$ 14,822,831
Capital grants and contributions	-	-	-	-	-	-	-	-	-	43,573
Charges for services	-	-	-	-	-	259,508	376,494	325,803	365,481	349,013
Total governmental activities program revenues	<u>5,081,523</u>	<u>5,501,059</u>	<u>19,022,458</u>	<u>15,486,781</u>	<u>13,879,016</u>	<u>20,768,956</u>	<u>18,263,242</u>	<u>17,096,908</u>	<u>18,224,560</u>	<u>15,215,417</u>

(Continued)

Haddonfield School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities:										
Charges for services:										
Community Education	\$ 113,989	\$ 103,672	\$ 79,086	\$ 111,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food service	489,045	559,154	572,950	644,753	480,083	3,716	75,860	678,984	753,252	819,409
Operating grants and contributions	34,596	36,199	37,170	39,930	42,035	275,258	1,056,303	280,617	212,127	135,954
Total business type activities program revenues	<u>637,630</u>	<u>699,025</u>	<u>689,206</u>	<u>796,039</u>	<u>522,118</u>	<u>278,974</u>	<u>1,132,163</u>	<u>959,601</u>	<u>965,379</u>	<u>955,363</u>
Total district program revenues	<u>\$ 5,719,153</u>	<u>\$ 6,200,084</u>	<u>\$ 19,711,664</u>	<u>\$ 16,282,820</u>	<u>\$ 14,401,134</u>	<u>\$ 21,047,930</u>	<u>\$ 19,395,405</u>	<u>\$ 18,056,509</u>	<u>\$ 19,189,939</u>	<u>\$ 16,170,780</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (37,279,423)	\$ (39,312,176)	\$ (38,259,824)	\$ (38,485,569)	\$ (40,142,527)	\$ (42,499,130)	\$ (43,107,145)	\$ (43,486,569)	\$ (46,394,631)	\$ (52,340,912)
Business-type activities	(89,614)	(20,917)	(5,669)	57,430	(25,044)	22,632	189,898	(9,546)	50,918	(4,839)
Total district-wide net expense	<u>\$ (37,369,037)</u>	<u>\$ (39,333,093)</u>	<u>\$ (38,265,493)</u>	<u>\$ (38,428,139)</u>	<u>\$ (40,167,571)</u>	<u>\$ (42,476,498)</u>	<u>\$ (42,917,247)</u>	<u>\$ (43,496,115)</u>	<u>\$ (46,343,713)</u>	<u>\$ (52,345,751)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 32,663,145	\$ 33,729,632	\$ 34,594,360	\$ 35,450,126	\$ 36,737,325	\$ 37,472,072	\$ 38,221,513	\$ 38,985,943	\$ 39,882,023	\$ 41,030,625
Taxes levied for debt service	1,834,373	1,767,384	2,367,875	2,999,148	2,978,679	3,022,994	3,004,000	3,045,987	3,053,693	3,040,784
Unrestricted grants and contributions	1,158,069	1,173,632	1,263,204	2,275,309	2,583,813	3,262,663	4,010,711	3,531,120	4,233,044	4,369,715
Tuition	511,500	290,603	365,162	240,194	274,835	-	-	-	-	-
Miscellaneous income	498,329	323,597	454,654	360,729	320,135	531,062	128,787	475,877	464,768	628,115
Interest	-	-	-	-	-	-	14,888	85,189	134,793	713,277
Total governmental activities	<u>36,665,416</u>	<u>37,284,848</u>	<u>39,045,255</u>	<u>41,325,506</u>	<u>42,894,787</u>	<u>44,288,791</u>	<u>45,379,899</u>	<u>46,124,116</u>	<u>47,768,321</u>	<u>49,782,516</u>
Business-type activities:										
Investment earnings	339	339	637	3,377	2,202	387	701	9,805	16,348	18,156
Miscellaneous income	815	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	(63,474)	-	-	-	-	-
Total business-type activities	<u>1,154</u>	<u>339</u>	<u>637</u>	<u>3,377</u>	<u>(61,272)</u>	<u>387</u>	<u>701</u>	<u>9,805</u>	<u>16,348</u>	<u>18,156</u>
Total district-wide	<u>\$ 36,666,570</u>	<u>\$ 37,285,187</u>	<u>\$ 39,045,892</u>	<u>\$ 41,328,883</u>	<u>\$ 42,833,515</u>	<u>\$ 44,289,178</u>	<u>\$ 45,380,600</u>	<u>\$ 46,133,921</u>	<u>\$ 47,784,669</u>	<u>\$ 49,800,672</u>
Change in Net Position:										
Governmental activities	\$ (614,007)	\$ (2,027,328)	\$ 785,431	\$ 2,839,937	\$ 2,752,260	\$ 1,789,661	\$ 2,272,754	\$ 2,637,547	\$ 1,373,690	\$ (2,558,396)
Business-type activities	(88,460)	(20,578)	(5,032)	60,807	(86,316)	23,019	190,599	259	67,266	13,317
Total district-wide	<u>\$ (702,467)</u>	<u>\$ (2,047,906)</u>	<u>\$ 780,399</u>	<u>\$ 2,900,744</u>	<u>\$ 2,665,944</u>	<u>\$ 1,812,680</u>	<u>\$ 2,463,353</u>	<u>\$ 2,637,806</u>	<u>\$ 1,440,956</u>	<u>\$ (2,545,079)</u>

Haddonfield School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-3

	Fiscal Year Ending June 30,									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund:										
Restricted for:										
Capital reserve	\$ 1,339,992	\$ 2,893,341	\$ 3,906,868	\$ 3,958,829	\$ 4,073,391	\$ 3,296,525	\$ 3,412,643	\$ 3,277,290	\$ 3,324,128	\$ 984,647
Maintenance reserve	400,000	401,000	902,875	914,883	1,770,282	2,293,776	2,299,510	2,190,791	2,338,072	1,422,581
Unemployment compensation	-	-	-	-	-	394,857	395,770	401,767	411,443	431,861
Excess surplus	464,848	428,535	663,937	687,434	591,913	-	-	834,693	919,559	1,227,788
Excess surplus - designated for next year	515,396	464,848	428,535	663,937	687,434	591,913	-	-	834,693	919,559
Assigned										
Reserve for encumbrances	48,505	27,572	324,335	11,794	356,944	669,274	118,136	915,004	161,464	3,011,342
Designated for subsequent year's budget	-	87,724	-	-	35,846	-	700,000	961,457	386,352	414,677
Unassigned	650,447	606,964	614,268	710,894	705,290	1,401,203	1,822,991	775,669	849,148	615,832
Total general fund	<u>\$ 3,419,188</u>	<u>\$ 4,909,984</u>	<u>\$ 6,840,818</u>	<u>\$ 6,947,771</u>	<u>\$ 8,221,100</u>	<u>\$ 8,647,548</u>	<u>\$ 8,749,050</u>	<u>\$ 9,356,671</u>	<u>\$ 9,224,859</u>	<u>\$ 9,028,287</u>
All Other Governmental Funds										
Reserved:										
Other Purposes	\$ 809	\$ -	\$ 10,284,161	\$ 223,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,964,094
Designated for subsequent year's budget	-	-	-	-	-	-	-	-	-	1
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	449,949	421,192	532,516	671,113	754,150
Capital projects fund	(186,927)	32,505,002	(133,433)	(484,574)	-	-	-	-	-	40,991,259
Debt service fund	185,588	255,067	157,619	126,419	38,933	27,417	27,418	1	1	477,459
Total all other governmental funds	<u>\$ (530)</u>	<u>\$ 32,760,069</u>	<u>\$ 10,308,347</u>	<u>\$ (134,253)</u>	<u>\$ 38,933</u>	<u>\$ 477,366</u>	<u>\$ 448,610</u>	<u>\$ 532,517</u>	<u>\$ 671,114</u>	<u>\$ 46,186,963</u>

Source: District records

Haddonfield School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-4

Fiscal Year Ending June 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	\$ 34,497,518	\$ 35,497,016	\$ 36,962,235	\$ 38,449,274	\$ 39,716,004	\$ 40,495,066	\$ 41,225,513	\$ 42,031,930	\$ 42,935,716	\$ 44,071,409
Tuition charges	511,500	290,603	365,162	240,194	274,835	259,508	376,494	325,803	365,481	349,013
Interest							13,975	85,189	134,793	216,101
Miscellaneous	560,021	334,267	493,111	360,729	344,986	531,062	129,700	346,985	464,768	1,125,291
Local sources						443,897	602,884	764,552	830,551	873,822
State sources	5,402,096	5,877,227	7,106,632	8,430,888	8,941,935	11,171,137	13,829,456	13,919,028	14,815,760	14,706,232
Federal sources	775,804	786,794	810,573	770,509	801,114	1,047,413	1,280,035	1,231,278	2,176,930	774,217
Total revenue	<u>41,746,939</u>	<u>42,785,907</u>	<u>45,737,713</u>	<u>48,251,594</u>	<u>50,078,874</u>	<u>53,948,083</u>	<u>57,458,057</u>	<u>58,704,765</u>	<u>61,723,999</u>	<u>62,116,085</u>
Expenditures										
Instruction										
Regular Instruction	12,343,900	12,544,513	12,614,491	13,456,860	13,693,631	14,119,902	14,833,371	14,524,120	15,315,422	15,297,841
Special education instruction	4,685,393	3,663,913	3,633,508	3,623,326	3,844,395	3,601,992	3,746,214	4,108,133	4,058,554	4,135,803
Other instruction	1,223,191	1,005,895	1,015,807	1,091,663	1,179,156	1,172,825	1,306,649	1,346,322	1,439,546	1,383,876
Support Services:										
Tuition	1,025,530	670,140	504,587	583,585	590,303	783,674	632,995	324,734	512,922	850,935
Student & instruction related services	3,675,280	4,309,090	4,974,480	5,248,289	5,245,822	6,916,400	8,585,944	8,127,757	8,748,723	9,224,460
School administrative services	1,356,643	1,543,320	1,615,372	1,823,483	1,704,282	1,784,712	1,827,529	1,850,247	1,845,799	1,924,146
General and business admin. services	1,463,484	1,546,761	1,836,929	1,768,908	1,785,829	1,871,227	1,763,205	1,994,239	1,813,719	1,657,513
Plant operations and maintenance	3,221,762	3,303,168	3,244,811	3,583,157	3,634,445	3,858,249	3,828,424	4,656,356	5,013,208	4,753,155
Pupil transportation	498,304	509,109	548,993	548,607	454,038	389,553	495,076	614,357	845,039	929,403
Employee benefits	9,472,540	10,068,771	10,575,329	11,306,686	11,892,484	13,750,144	16,008,052	16,359,752	17,255,282	17,605,420
Charter schools	115,363	131,437	43,602	65,291	-	-	26,544	28,314	-	-
Capital outlay	1,850,701	2,721,357	22,710,943	11,774,403	903,807	1,983,488	875,813	513,543	1,202,283	5,776,979
Debt service:										
Principal	1,380,000	1,290,000	1,325,000	2,525,000	2,586,000	2,715,000	2,825,000	2,950,000	2,960,000	2,980,000
Interest and other charges	455,128	478,038	1,614,749	1,187,983	1,118,167	1,031,223	807,682	744,255	706,717	665,977
Total expenditures	<u>42,767,219</u>	<u>43,785,512</u>	<u>66,258,601</u>	<u>58,587,241</u>	<u>48,632,359</u>	<u>53,978,389</u>	<u>57,562,498</u>	<u>58,142,129</u>	<u>61,717,214</u>	<u>67,185,508</u>
Excess (Deficiency) of revenues over (under) expenditures	(1,020,280)	(999,605)	(20,520,888)	(10,335,647)	1,446,515	(30,306)	(104,441)	562,636	6,785	(5,069,423)
Other Financing sources (uses)										
Proceeds from borrowing	-	35,251,000	-	-	-	5,510,000	-	-	-	50,388,700
Payment to bond payment agent	-	-	-	-	-	(5,434,798)	-	-	-	-
FEMA Reimbursement	-	-	-	-	-	-	177,187	128,892	-	-
Transfers in	184,555	70,133	87,486	1,038,932	686,742	-	-	-	-	477,458
Transfers out	(184,555)	(70,133)	(87,486)	(1,038,932)	(686,742)	-	-	-	-	(477,458)
Total other financing sources (uses)	<u>-</u>	<u>35,251,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,202</u>	<u>177,187</u>	<u>128,892</u>	<u>-</u>	<u>50,388,700</u>
Net change in fund balances	<u>\$ (1,020,280)</u>	<u>\$ 34,251,395</u>	<u>\$ (20,520,888)</u>	<u>\$ (10,335,647)</u>	<u>\$ 1,446,515</u>	<u>\$ 44,896</u>	<u>\$ 72,746</u>	<u>\$ 691,528</u>	<u>\$ 6,785</u>	<u>\$ 45,319,277</u>
Debt service as a percentage of noncapital expenditures	4.49%	4.31%	6.75%	7.93%	7.76%	7.20%	6.41%	6.41%	6.06%	5.94%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Haddonfield School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-5

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Other Refunds	Prior Year Refunds	Facility Usage	Summer Enrichment	Student Activity Fee	Chromebook Fees	Donations	Miscellaneous	Total
2016	\$ 15,724	\$ 511,500	\$ -	\$ 32,691	\$ 16,640	\$ 51,331	\$ -	\$ -	\$ -	\$ 381,821	\$ 1,009,707
2017	86,464	290,603	-	26,729	7,600	51,199	-	-	-	151,605	614,200
2018	123,437	365,162	-	-	-	-	78,950	-	-	252,267	819,816
2019	110,743	240,194	-	43,729	6,655	-	20,000	-	-	79,056	500,377
2020	26,769	274,835	41,965	87,597	10,415	-	15,000	44,535	39,100	23,322	563,538
2021	23,380	259,508	22,531	357,693	18,137	-	30,000	61,303	-	18,018	790,570
2022	26,619	376,494	-	-	53,169	-	-	50,536	-	13,351	520,169
2023	100,456	325,803	19,133	79,219	87,632	-	-	49,643	-	10,902	672,788
2024	137,418	365,481	17,184	134,598	99,404	-	-	48,088	-	28,076	830,249
2025	307,513	349,013	27,422	112,212	114,559	-	-	33,219	-	33,190	977,128
	<u>\$ 958,523</u>	<u>\$ 3,358,593</u>	<u>\$ 128,235</u>	<u>\$ 874,468</u>	<u>\$ 414,211</u>	<u>\$ 102,530</u>	<u>\$ 143,950</u>	<u>\$ 287,324</u>	<u>\$ 39,100</u>	<u>\$ 991,608</u>	<u>\$ 7,298,542</u>

Source: District records

**Haddonfield School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

EXHIBIT J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2016	\$ 5,828,300	\$ 2,006,189,500	\$ 209,345,300	\$ 14,000,500	\$ 2,235,363,600	\$ 5,653,649	\$ 2,241,017,249	\$ 248,882,400	\$ 1.584	\$ 2,251,696,382
2017	6,280,300	2,019,795,400	207,910,400	14,000,500	2,247,986,600	5,663,400	2,253,650,000	250,266,300	1.641	2,282,646,641
2018	8,370,100	2,035,179,200	206,476,900	13,906,800	2,263,933,000	5,680,150	2,269,613,150	697,165,900	1.695	2,315,524,757
2019	8,123,100	2,052,646,600	206,145,700	13,906,800	2,280,822,200	5,752,562	2,286,574,762	248,557,200	1.737	2,339,384,928
2020	5,677,600	2,082,781,100	207,012,900	13,906,800	2,309,378,400	5,754,587	2,315,132,987	251,927,100	1.748	2,444,137,850
2021	5,168,300	2,107,882,800	207,001,300	14,511,800	2,334,564,200	5,102,875	2,339,667,075	246,729,800	1.761	2,482,644,607
2022	5,392,100	2,125,545,000	206,653,900	14,631,800	2,352,222,800	5,036,689	2,357,259,489	249,379,000	1.782	2,587,355,945
2023	4,746,100	2,151,480,100	202,780,400	14,701,800	2,373,708,400	4,930,044	2,378,638,444	253,337,900	1.804	2,758,943,816
2024	4,495,800	2,182,515,100	200,893,200	14,701,800	2,402,605,900	100	2,402,606,000	254,285,100	1.833	2,944,392,317
2025	3,495,800	2,203,689,600	200,261,300	15,341,000	2,422,787,700	100	2,422,787,800	258,899,100	1.898	3,133,562,523

Source: Municipal Tax Assessor

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

c Information not available.

R Revaluation.

Haddonfield School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

EXHIBIT J-7

Fiscal Year Ended June 30,	Haddonfield School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service		Borough of Haddonfield	Municipal			
		Open Space	Municipal Library		Camden County			
2016	\$ 1.505	\$ 0.079	\$ 1.584	\$ 0.461	\$ 0.005	\$ 0.033	\$ 0.840	\$ 2.923
2017	1.536	0.105	1.641	0.460	0.005	0.033	0.851	2.990
2018	1.563	0.132	1.695	0.470	0.005	0.033	0.860	3.063
2019	1.607	0.130	1.737	0.490	0.005	0.034	0.834	3.100
2020	1.618	0.130	1.748	0.494	0.005	0.035	0.843	3.125
2021	1.641	0.120	1.761	0.504	0.005	0.035	0.842	3.147
2022	1.653	0.129	1.782	0.526	0.010	0.037	0.808	3.163
2023	1.676	0.128	1.804	0.552	0.010	0.038	0.784	3.188
2024	1.706	0.127	1.833	0.587	0.010	0.040	0.761	3.231
2025	1.742	0.156	1.898	0.633	0.010	0.043	0.731	3.315

Source: Municipal Tax Collector

Note:

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.
- b Rates for debt service are based on each year's requirements.

**Haddonfield School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

EXHIBIT J-8

Taxpayer	2025		Taxpayer	2016	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Haddonfield Partners LP	\$ 10,894,000	0.45%	Gerald & Erica Levin	\$ 10,116,800	0.45%
132 Warwick Rd, LLC	8,250,000	0.34%	Verizon	9,164,849	0.41%
Centennial Office, LLC	5,500,000	0.23%	One Centennial Square	8,300,000	0.37%
110 Kings Highway East Assoc.	4,664,900	0.19%	132 Warwick Rd LLC	8,250,000	0.37%
Haddonfield Partners II, LLC	4,255,000	0.18%	95 Grove Street Partnership	7,989,400	0.36%
Tommar, LLC	3,750,000	0.15%	110 Kings Highway East	5,400,000	0.24%
Acme	3,619,800	0.15%	Park Lane Properties	5,281,000	0.24%
35 Kings Highway East, LP	3,000,000	0.12%	Laurie Industries (ACME Markets)	4,069,800	0.18%
Atlis Haddonfield Owner, LLC	2,978,700	0.12%	Tommar LLC	3,750,000	0.17%
Overbrook Partners, LP	2,925,000	0.12%	807 Haddon Properties	3,000,000	0.13%
Total	\$ 49,837,400	2.06%	Total	\$ 65,321,849	2.91%

Source: Municipal Tax Collector

**Haddonfield School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

EXHIBIT J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 33,871,732	\$ 33,871,732	100.00%	\$ -
2017	35,497,016	35,497,016	100.00%	-
2018	36,962,235	36,962,235	100.00%	-
2019	38,449,274	38,449,274	100.00%	-
2020	39,716,004	39,716,004	100.00%	-
2021	40,495,066	40,495,066	100.00%	-
2022	41,225,513	41,225,513	100.00%	-
2023	42,031,930	42,031,930	100.00%	-
2024	42,935,716	42,935,716	100.00%	-
2025	44,071,409	44,071,409	100.00%	-

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

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

Haddonfield School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-10

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			Percentage of Personal Income ^a	Per Capita ^b
	General Obligation Bonds	Financed Purchases/ Leases	Total District		
2016	\$ 13,530,000	\$ -	\$ 13,530,000	2.46%	\$ 1,189
2017	47,491,000	-	47,491,000	8.38%	4,180
2018	46,166,000	-	46,166,000	7.89%	4,073
2019	43,641,000	-	43,641,000	7.22%	3,856
2020	41,055,000	-	41,055,000	6.39%	3,626
2021	38,715,000	176,238	38,891,238	5.09%	3,113
2022	35,890,000	102,383	35,992,383	4.64%	2,876
2023	32,940,000	15,520	32,955,520	4.03%	2,622
2024	29,980,000	503,831	30,483,831	c	2,399
2025	73,692,000	4,058,657	77,750,657	c	c

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

- a Based on Per Capita Income for Camden County
- b Based on School District Population as of July 1,
- c Not available

Haddonfield School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 13,530,000	\$ -	\$ 13,530,000	0.60%	\$ 1,189
2017	47,491,000	-	47,491,000	2.11%	4,180
2018	46,166,000	-	46,166,000	2.03%	4,073
2019	43,641,000	-	43,641,000	1.91%	3,856
2020	41,055,000	-	41,055,000	1.77%	3,626
2021	38,715,000	-	38,715,000	1.65%	3,099
2022	35,890,000	-	35,890,000	1.52%	2,868
2023	32,940,000	-	32,940,000	1.38%	2,620
2024	29,980,000	-	29,980,000	1.25%	2,359
2025	73,692,000	-	73,692,000	3.04%	c

- Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.
- a** See Exhibit J-6 for property tax data.
 - b** Population data can be found in Exhibit J-14.
 - c** Not available.

**Haddonfield School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2024**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Haddonfield	\$ 34,489,931	100.000%	\$ 34,489,931
Camden County General Obligation Debt	414,303,730	5.490%	22,745,275
			<hr/>
Subtotal, overlapping debt			57,235,206
Haddonfield School District Direct Debt			<hr/>
			73,692,085
Total direct and overlapping debt			<hr/> <hr/>
			\$ 130,927,291

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2025

	Equalized valuation basis	
	2022	\$ 2,725,318,967
	2023	2,905,040,264
	2024	3,103,340,093
	[A]	<u>\$ 8,733,699,324</u>
Average equalized valuation of taxable property	[A/3]	\$ 2,911,233,108
Debt limit (4% of average equalized valuation)	[B]	116,449,324 ^a
Net bonded school debt	[C]	73,692,000
Legal debt margin	[B-C]	<u>\$ 42,757,324</u>

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total net debt applicable to limit	\$ 86,707,031	\$ 88,516,977	\$ 90,397,285	\$ 91,507,705	\$ 93,430,474	\$ 95,527,294	\$ 98,814,445	\$ 103,089,867	\$ 109,195,029	\$ 116,449,324
	<u>13,530,000</u>	<u>47,491,000</u>	<u>46,166,000</u>	<u>43,641,000</u>	<u>41,055,000</u>	<u>38,715,000</u>	<u>35,890,000</u>	<u>32,940,000</u>	<u>29,980,000</u>	<u>73,692,000</u>
Legal debt margin	<u>\$ 73,177,031</u>	<u>\$ 41,025,977</u>	<u>\$ 44,231,285</u>	<u>\$ 47,866,705</u>	<u>\$ 52,375,474</u>	<u>\$ 56,812,294</u>	<u>\$ 62,924,445</u>	<u>\$ 70,149,867</u>	<u>\$ 79,215,029</u>	<u>\$ 42,757,324</u>
Total net debt applicable to the limit as a percentage of debt limit	15.60%	53.65%	51.07%	47.69%	43.94%	40.53%	36.32%	31.95%	27.46%	63.28%

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

^a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

**Haddonfield School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

EXHIBIT J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2016	11,379	\$ 550,800,495	\$ 48,405	3.5%
2017	11,362	566,782,008	49,884	2.6%
2018	11,334	584,970,408	51,612	2.5%
2019	11,318	604,664,150	53,425	2.0%
2020	11,322	642,263,094	56,727	5.1%
2021	12,492	763,985,736	61,158	3.4%
2022	12,514	775,730,346	61,989	2.1%
2023	12,571	816,951,577	64,987	2.6%
2024	12,707	e	e	2.8%
2025	e	e	e	e

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income for Haddonfield Borough.
- c Per Capita for Camden County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- e Not available.

Haddonfield School District
 Full-time Equivalent District Employees by Function/Program,

EXHIBIT J-16

Last Ten Fiscal Years

<u>Function/Program</u>	Fiscal Year Ending June 30,									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Regular	169	162	166	169	169	170	170	170	170	170
Special education	32	39	37	38	38	39	39	40	41	41
Other special education	49	72	12	12	12	12	12	12	13	13
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	2	-	19	19	19	20	20	20	20	20
Support Services:										
Student & instruction related services	21	25	39	41	41	41	42	42	42	42
School administrative services	18	19	21	22	22	22	22	22	24	24
General and business administrative services	19	7	12	12	13	13	13	13	13	13
Plant operations and maintenance	6	9	10	10	11	11	11	11	10	10
Pupil transportation	10	10	5	4	4	4	4	4	4	4
Business and other support services	4	4	5	5	6	6	6	6	5	5
Total	<u>330</u>	<u>347</u>	<u>326</u>	<u>332</u>	<u>335</u>	<u>338</u>	<u>339</u>	<u>340</u>	<u>342</u>	<u>342</u>

Source: District Personnel Records

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2016	2,665	\$ 39,081,390	\$ 14,665	2.90%	201	1:20	1:21	1:20	2,661	2,567	1.99%	96.47%
2017	2,689	39,296,117	14,614	-0.35%	201	1:20	1:21	1:20	2,690	2,585	1.09%	96.10%
2018	2,710	40,607,909	14,984	2.54%	234	1:16	1:13	1:12	2,714	2,597	0.89%	95.69%
2019	2,759	43,099,855	15,622	4.25%	238	1:16	1:13	1:12	2,739	2,634	0.92%	96.17%
2020	2,710	44,024,385	16,245	3.99%	238	1:16	1:13	1:12	2,703	2,630	-1.31%	97.30%
2021	2,616	48,248,678	18,444	13.53%	241	1:16	1:13	1:12	2,646	2,594	-2.11%	98.03%
2022	2,688	53,054,003	19,737	7.01%	241	1:16	1:13	1:12	2,700	2,561	2.04%	94.85%
2023	2,704	53,934,331	19,946	1.06%	242	1:16	1:13	1:12	2,754	2,617	2.00%	95.03%
2024	2,738	56,848,214	20,763	4.09%	244	1:16	1:13	1:12	2,741	2,614	-0.47%	95.37%
2025	2,727	57,762,552	21,182	2.02%	244	1:16	1:13	1:12	2,729	2,602	-0.44%	95.33%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Haddonfield School District
School Building Information
Last Ten Fiscal Years**

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Building										
Elizabeth Haddon Elementary School (1965)										
Square Feet	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	355	374	386	354	362	361	362	377	387	399
JF Tatem Elementary School (1923)										
Square Feet	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000
Capacity (students)	490	490	490	490	490	490	490	490	490	490
Enrollment	447	441	426	409	414	396	401	435	432	432
Central Elementary School (1947)										
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	409	397	411	400	402	391	434	438	435	445
Haddonfield Middle School (1965)										
Square Feet	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Capacity (students)	700	700	700	700	700	700	700	700	700	700
Enrollment	653	652	656	634	606	624	604	646	625	631
Memorial High School (1926)										
Square Feet	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000
Capacity (students)	975	975	975	975	975	975	975	975	975	975
Enrollment	797	826	835	837	845	874	898	858	862	822

Number of Schools at June 30, 2025
 Elementary = 3
 Middle School = 1
 Senior High School = 1

Source: District Facilities Office

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

Haddonfield School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years

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

		Fiscal Year Ending June 30,										
* School Facilities	Project # (s)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
High School	SP#201155	\$ 270,561	\$ 283,102	\$ 312,049	\$ 411,694	\$ 492,415	\$ 504,608	\$ 456,400	\$ 467,229	\$ 752,504	\$ 663,422	\$ 3,861,480
Middle School	SP#201156	129,399	135,397	149,241	196,898	235,503	241,334	218,278	223,457	359,893	317,289	1,846,796
J. Fithian Tatem Elementary School	SP#201154	64,699	67,698	74,620	98,449	117,751	120,667	109,139	111,729	179,947	158,644	923,396
Elizabeth Haddon Elementary School	SP#201157	64,700	67,699	74,620	98,448	117,751	120,667	109,139	111,729	179,946	158,645	923,398
Central Elementary School	SP#201158	58,818	61,544	67,837	89,499	107,047	109,697	99,217	101,571	163,588	144,222	839,452
Total School Facilities		<u>\$ 588,177</u>	<u>\$ 615,440</u>	<u>\$ 678,367</u>	<u>\$ 894,988</u>	<u>\$ 1,070,467</u>	<u>\$ 1,096,973</u>	<u>\$ 992,173</u>	<u>\$ 1,015,715</u>	<u>\$ 1,635,878</u>	<u>\$ 1,442,222</u>	<u>\$ 8,394,522</u>

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

Source: District records

**Haddonfield School District
Insurance Schedule
June 30, 2025**

EXHIBIT J-20

	Coverage	Self Insured Retention	Deductible
School Package Policy (1)			
Building and Contents (All Locations)			
Limits of Liability Per Occurrence	\$ 175,000,000	\$ 250,000	\$ 500
General and Automobile Liability	27,000,000	250,000	
Workers Compensation	Statutory	250,000	
Employee Liability	10,000,000		
Crime Coverage - Blanket Surety Coverage	500,000	250,000	500
Educators Legal Liability	27,000,000	250,000	
Cyber Liability	2,000,000		50,000-100,000
Boiler and Machinery	125,000,000		1,000
Off Premises	5,000,000		
Spoilage	100,000,000		
Data Restoration	5,000,000		
Ordinance or Law	10,000,000		
Hazardous Substances	10,000,000		
Electronic Vandalism	1,000,000		
Commercial Umbrella Liability Insurance	50,000,000		
Crisis Protection			
Each Occurrence	1,000,000		10,000
Annual Aggregate	10,000,000		
Terrorism & Sabotage	5,000,000-75,000,000		10,000
Commercial Pollution and Mold			
Each Incident	3,000,000		25,000-250,000
Annual Aggregate	6,000,000		
Annual Aggregate - On-site Cleanup	12,000,000		
First Party Property Damage	100,000		
Student Accident (2)			
Students & Student Athletes	1,000,000		
Surety Bonds (3)			
Board Secretary/Assistant Business Administrator	300,000		

- (1) Burlington County Insurance Pool (JIF)
- (2) Hartford Insurance Company
- (3) Selective Insurance Company

Source: District records

Single Audit Section

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**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
Haddonfield School District
County of Camden
Haddonfield, New Jersey

I 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 the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Haddonfield School District (the "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 District's basic financial statements, and have issued my report thereon dated November 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 District's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my 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.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
November 28, 2025

INVERSO & STEWART, LLC

Certified Public Accountants

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**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
 Haddonfield School District
 County of Camden
 Haddonfield, New Jersey

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

I have audited Haddonfield School District's (the "District"), 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 the District's major federal and state programs for the year ended June 30, 2025. The 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 my opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

I conducted my 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, 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*. My responsibilities under those standards and the Circular 15-08-OMB are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and the N.J. 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, would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. Circular 15-08-OMB, I:

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

I am 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 I identified during the audit.

Report on Internal Control over Compliance

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

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of my 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.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
November 28, 2025

HADDONFIELD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2024			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2025		
						Accounts Receivable	Deferred Revenue	Due to Grantor						Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Education																
Passed-through State Department of Education:																
<u>Special Revenue Fund:</u>																
<u>Every Student Succeeds Act (ESSA)</u>																
Title I - Part A	84.010	S010A240030	ESSA-1900-25	\$ 55,154	7/1/24 - 9/30/25	\$ -	\$ -	\$ -	\$ -	\$ 16,789	\$ (16,789)	\$ -	\$ -	\$ -	\$ -	
Title II - Part A	84.367A	S367A240029	ESSA-1900-25	30,369	7/1/24 - 9/30/25					30,023	(30,023)					
Title II - Part A	84.367A	S367A230029	ESSA-1900-24	29,112	7/1/23 - 9/30/24	(4,862)				4,862						
<u>Individuals With Disabilities Act (I.D.E.A.)</u>																
Part B - Basic	84.027A	H027A240100	IDEA-1900-25	715,838	7/1/24 - 9/30/25					591,347	(625,562)			(34,215)		
Part B - Basic	84.027A	H027A230100	IDEA-1900-24	765,924	7/1/23 - 9/30/24	(165,089)				165,089				-		
Preschool	84.173A	H173A240114	IDEA-1900-25	29,657	7/1/24 - 9/30/25					29,376	(29,376)			-		
Preschool	84.173A	H173A230114	IDEA-1900-24	30,475	7/1/23 - 9/30/24	(840)				840				-		
<u>American Rescue Plan:</u>																
ARP - ESSER	84.425U	S425U210027	N/A	1,029,314	3/13/20 - 9/30/24	(182,346)				183,746	(1,400)			-		
ARP - Accelerated Learning	84.425U	S425U210027	N/A	205,980	3/13/20 - 9/30/24	(31,903)				31,903				-		
ARP - Evidence Based Summer Learning	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24	(3,304)				29,508	(26,204)			-		
ARP - Beyond the School Day	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24	(6,213)				6,213				-		
ARP - NJTSS Mental Health Support	84.425U	S425U210027	N/A	45,000	3/13/20 - 9/30/24	(9,450)				10,740	(1,290)			-		
U.S. Department of Treasury																
Passed-through State Department of Education:																
Additional or Compensatory Special Ed. (ACSERS)	21.027	SLFRFDOE1SES	N/A	138,910	7/1/23 - 6/30/24	(99,970)				99,970				-		
Total Special Revenue Fund						(503,977)	-	-	-	1,200,406	(730,644)	-	-	(34,215)	-	
U.S. Department of Agriculture																
Passed-through State Department of Agriculture:																
<u>Enterprise Fund:</u>																
Food Distribution Program	10.555	251NJ304N1099	N/A	53,065	10/1/24 - 9/30/25					53,065	(53,065)					
School Breakfast Program	10.553	251NJ304N1099	N/A	1,756	10/1/24 - 9/30/25					1,635	(1,756)			(121)		
School Breakfast Program	10.553	241NJ304N1099	N/A	1,468	10/1/23 - 9/30/24	(71)				71				-		
National School Lunch Program	10.555	251NJ304N1099	N/A	73,693	10/1/24 - 9/30/25					69,454	(73,693)			(4,239)		
National School Lunch Program	10.555	241NJ304N1099	N/A	65,817	10/1/23 - 9/30/24	(3,633)				3,633				-		
Summer-EBT Administrative Cost	10.646	202424N180341	N/A	322	10/1/24 - 9/30/25					322	(322)					
Total Enterprise Fund						(3,704)	-	-	-	128,180	(128,836)	-	-	(4,360)	-	
Total Federal Awards						\$ (507,681)	\$ -	\$ -	\$ -	\$ 1,328,586	\$ (859,480)	\$ -	\$ -	\$ (38,575)	\$ -	\$ -

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

HADDONFIELD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2025

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2024			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2025		
				Accounts Receivable	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education														
General Fund:														
Extraordinary Aid	25-495-034-5120-044	\$ 401,988	7/1/24 - 6/30/25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (401,988)	\$ -	\$ -	\$ (401,988)	\$ -	\$ -
Extraordinary Aid	24-495-034-5120-044	629,100	7/1/23 - 6/30/24	(629,100)				629,100						
Special Education Categorical Aid	25-495-034-5120-089	2,990,187	7/1/24 - 6/30/25					2,715,757	(2,990,187)			(274,430)		
Special Education Categorical Aid	24-495-034-5120-089	2,639,859	7/1/23 - 6/30/24	(237,357)				237,357						
Security Aid	25-495-034-5120-084	206,788	7/1/24 - 6/30/25					187,810	(206,788)			(18,978)		
Security Aid	24-495-034-5120-084	200,857	7/1/23 - 6/30/24	(18,060)				18,060						
Transportation Aid	25-495-034-5120-014	183,654	7/1/24 - 6/30/25					166,799	(183,654)			(16,855)		
Transportation Aid	24-495-034-5120-014	183,654	7/1/23 - 6/30/24	(16,513)				16,513						
Menstrual Products Reimbursement	N/A	20,237	7/1/24 - 6/30/25						(20,237)			(20,237)		
On Behalf TPAF Pension	25-495-034-5094-002	6,500,420	7/1/24 - 6/30/25					6,500,420	(6,500,420)			-		
On Behalf TPAF Post Retirement Medical	25-495-034-5094-001	1,899,428	7/1/24 - 6/30/25					1,899,428	(1,899,428)			-		
On Behalf TPAF LTDI	25-495-034-5094-004	3,112	7/1/24 - 6/30/25					3,112	(3,112)			-		
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	1,484,498	7/1/24 - 6/30/25					1,411,199	(1,484,498)			(73,299)		
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	1,400,423	7/1/23 - 6/30/24	(70,356)				70,356				-		
Total General Fund				(971,386)	-	-	-	13,855,911	(13,690,312)	-	-	(805,787)	-	-
Special Revenue Fund:														
N.J. Nonpublic Aid:														
Textbook Aid	25-100-034-5120-064	20,967	7/1/24 - 6/30/25					20,967	(20,343)					624
Textbook Aid	24-100-034-5120-064	23,760	7/1/23 - 6/30/24			35					(35)			-
Nursing Aid	25-100-034-5120-070	53,560	7/1/24 - 6/30/25					53,560	(53,024)					536
Nursing Aid	24-100-034-5120-070	49,320	7/1/23 - 6/30/24			359					(359)			-
Technology Aid	25-100-034-5120-373	20,090	7/1/24 - 6/30/25					20,090	(20,090)					-
Technology Aid	24-100-034-5120-373	20,139	7/1/23 - 6/30/24											-
Security Aid	25-100-034-5120-509	84,460	7/1/24 - 6/30/25					84,460	(83,424)					1,036
Security Aid	24-100-034-5120-509	84,255	7/1/23 - 6/30/24			1,738					(1,738)			-
Auxiliary Services:														
Compensatory Education	25-100-034-5120-067	130,479	7/1/24 - 6/30/25					130,479	(119,819)					10,660
Compensatory Education	24-100-034-5120-067	162,733	7/1/23 - 6/30/24			32,917					(32,917)			-
ESL	25-100-034-5120-067	883	7/1/24 - 6/30/25					883						883
ESL	24-100-034-5120-067	916	7/1/23 - 6/30/24			916					(916)			-
Transportation	25-100-034-5120-068	8,748	7/1/24 - 6/30/25					8,748	(4,974)					3,774
Transportation	24-100-034-5120-068	16,915	7/1/23 - 6/30/24			9,261					(9,261)			-
Handicapped Services:														
Examination & Classification	25-100-034-5120-066	52,154	7/1/24 - 6/30/25					52,154	(46,656)					5,498
Examination & Classification	24-100-034-5120-066	72,082	7/1/23 - 6/30/24			4,371					(4,371)			-
Corrective Speech	25-100-034-5120-066	59,520	7/1/24 - 6/30/25					59,520	(39,432)					20,088
Corrective Speech	24-100-034-5120-066	54,405	7/1/23 - 6/30/24			13,950					(13,950)			-
Supplemental Instruction	25-100-034-5120-066	66,080	7/1/24 - 6/30/25					66,080	(50,551)					15,529
Supplemental Instruction	24-100-034-5120-066	58,233	7/1/23 - 6/30/24			13,299					(13,299)			-
Nonpublic Teacher STEM Grant	N/A	1,221	7/1/24 - 6/30/25					1,221	(1,221)					-
Total Special Revenue Fund				-	-	76,846	-	498,162	(439,534)	-	(76,846)	-	-	58,628

(Continued)

HADDONFIELD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2025

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2024			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2025		
				Accounts Receivable	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education														
<u>Debt Service Fund</u>														
Debt Service Aid Type II	25-495-034-5120-017	\$ 605,194	7/1/24 - 6/30/25	\$ -	\$ -	\$ -	\$ -	\$ 605,194	\$ (605,194)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service Fund Fund				-	-	-	-	605,194	(605,194)	-	-	-	-	-
State Department of Agriculture														
<u>Enterprise Fund:</u>														
State School Lunch Program	25-100-010-3350-023	6,797	7/1/24 - 6/30/25					6,399	(6,797)			(398)		
State School Lunch Program	24-100-010-3350-023	6,336	7/1/23 - 6/30/24	(352)				352						
Summer-EBT Administrative Cost	N/A	321	7/1/24 - 6/30/25					321	(321)					
Total Enterprise Fund				(352)	-	-	-	7,072	(7,118)	-	-	(398)	-	-
Total State Financial Assistance				\$ (971,738)	\$ -	\$ 76,846	\$ -	\$ 14,966,339	(14,742,158)	\$ -	\$ (76,846)	\$ (806,185)	\$ -	\$ 58,628
Less: State Financial Assistance Not Subject to Major Program Determination														
TPAF Contribution - Pension (Non-Budgeted)	25-495-034-5094-002	6,500,420	7/1/24 - 6/30/25						(6,500,420)					
TPAF Contribution - Post-Retirement Medical (Non-Budgeted)	25-495-034-5094-001	1,899,428	7/1/24 - 6/30/25						(1,899,428)					
TPAF Contribution - LTDI (Non-Budgeted)	25-495-034-5094-004	3,112	7/1/24 - 6/30/25						(3,112)					
Total State Financial Assistance Subject to Major Program Determination									\$ (6,339,198)					

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

Haddonfield School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2025

1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Board of Education, Borough of Haddonfield School District. The Board of Education is defined in Note 1 to the School District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when the 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 of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or two June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$38,333) in the general fund and \$53,098 in 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.

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ -	\$ 13,651,979	\$ 13,651,979
Special Revenue	774,217	449,059	1,223,276
Debt Service	-	605,194	605,194
Food Service	128,836	7,118	135,954
	<u>\$ 903,053</u>	<u>\$ 14,713,350</u>	<u>\$ 15,616,403</u>

Haddonfield School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2025

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

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

6. MAJOR PROGRAMS

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

**HADDONFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified? yes X none reported

Type of auditor's report on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027A</u>	<u>H027A240100</u>	<u>I.D.E.A. Part B - Basic</u>
<u>84.173A</u>	<u>H173A240114</u>	<u>I.D.E.A. Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
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<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

HADDONFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section 1 -- Summary of Auditor's Results (Cont'd)

State Awards Section

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weakness? yes X none reported

Type of auditor's report on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>25-495-034-5120-089</u>	State Aid Public Cluster: <u>Special Education Categorical Aid</u>
<u>25-495-034-5120-084</u>	<u>Security Aid</u>
<u>25-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
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**HADDONFIELD 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, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

No findings and/or questioned costs identified.

**HADDONFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

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

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**HADDONFIELD 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 and state awards that are required to be reported in accordance with Chapter 6.12 of *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 New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.