HAINESPORT TOWNSHIP
SCHOOL DISTRICT

Hainesport, New Jersey
County of Burlington

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

HAINESPORT TOWNSHIP SCHOOL DISTRICT

HAINESPORT, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by

Hainesport Township School District
Finance Department

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INTRODUCTORY SECTION

Hainesport Township School District

Joseph R. Corn
Superintendent of Schools

Jake Bryson
Business Administrator

Alexander F. Fisher
Principal K-8

Allison Tate
Curriculum & Instruction

Anthony Procopio, Jr.
Assistant Principal

Julia Wolfrom
Preschool Coordinator

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

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Hainesport Township School District for the fiscal year ended June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Hainesport Township School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2025, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

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

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

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

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

REPORTING ENTITY AND ITS SERVICES

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

The School District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular and special education for children with special needs. The School District's enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

Fiscal Year	Student Enrollment	Percent Change
2024-2025	539	1.32%
2023-2024	532	-0.93%
2022-2023	537	-3.94%
2021-2022	559	5.27%
2020-2021	531	-6.18%
2019-2020	566	-1.39%
2018-2019	574	-8.45%
2017-2018	627	-1.57%
2016-2017	637	-5.49%
2015-2016	674	-2.03%

ECONOMIC CONDITION AND OUTLOOK

Though inflation and high interest rates are still the norm, housing opportunities in Hainesport are at a premium. The township is one of the most desired, with available housing being quickly bought up. There are several housing projects underway that will not garner a great percentage of students, as the remaining land to build upon has almost been depleted. However, student enrollment has been upticking slightly, and will continue to grow with the addition of the District's 4th year in the PEA program. Now at 5 fulltime PK classrooms, 3 and 4 year old students are clamoring for a seat in the program.

Since the inception of Senate Bill-S2, approved by the governor and Legislature in 2018, the district has lost approximately millions of dollars of funding over the 7-year span. This decline continues to negatively impact much needed funding for the district, as the funding formula still has not changed enough to off-set such losses. With a continued increase in the need for student therapeutics, SEL programming, and RTI initiatives, these lost funds do great harm to districts the size of Hainesport Township, as attempting to locate needed dollars for proper support of students. Funding appropriate staffing for viable mental health, an ever increasing endeavor, procuring resources has become a daunting task.

MAJOR INITIATIVES

The Hainesport Township School District has focused on continuing to increase student achievement through the investment in technology, which continues to allow for the most up-to-date classroom devices and components. The district is fully 1 to 1, with ChromeBooks in grades 2 - 8 and a 1 to 1 tablet initiative in grades Pre-K - 1, meeting 21st century needs of the students. Teachers use unique tools to deliver curriculum to their students in a more efficient, interactive and engaging way. The district has also invested in new interactive boards and document cameras that are now being utilized daily in every classroom, grades K-8. In addition, Professional Development continues to be provided to staff in the use of this equipment to garner optimal student engagement and efficiency, and tying these tools in with purchased curricular models.

The district has a fully staffed Child Study Team and school counseling team to assist in the many therapeutic challenges students are continuing to face.

The district is now in Year 8 of its state-of-the-art Maker Space, installed in our contemporary Media Center. This continues to be the central hub of the school, where STEAM initiatives take place on a daily level in grades K - 8. Students are engaged in engineering and design, construction and analysis, robotics and coding on a daily basis.

INTERNAL ACCOUNTING CONTROLS

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

FINANCIAL POLICIES

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide

financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

OTHER INFORMATION

INDEPENDENT AUDIT

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

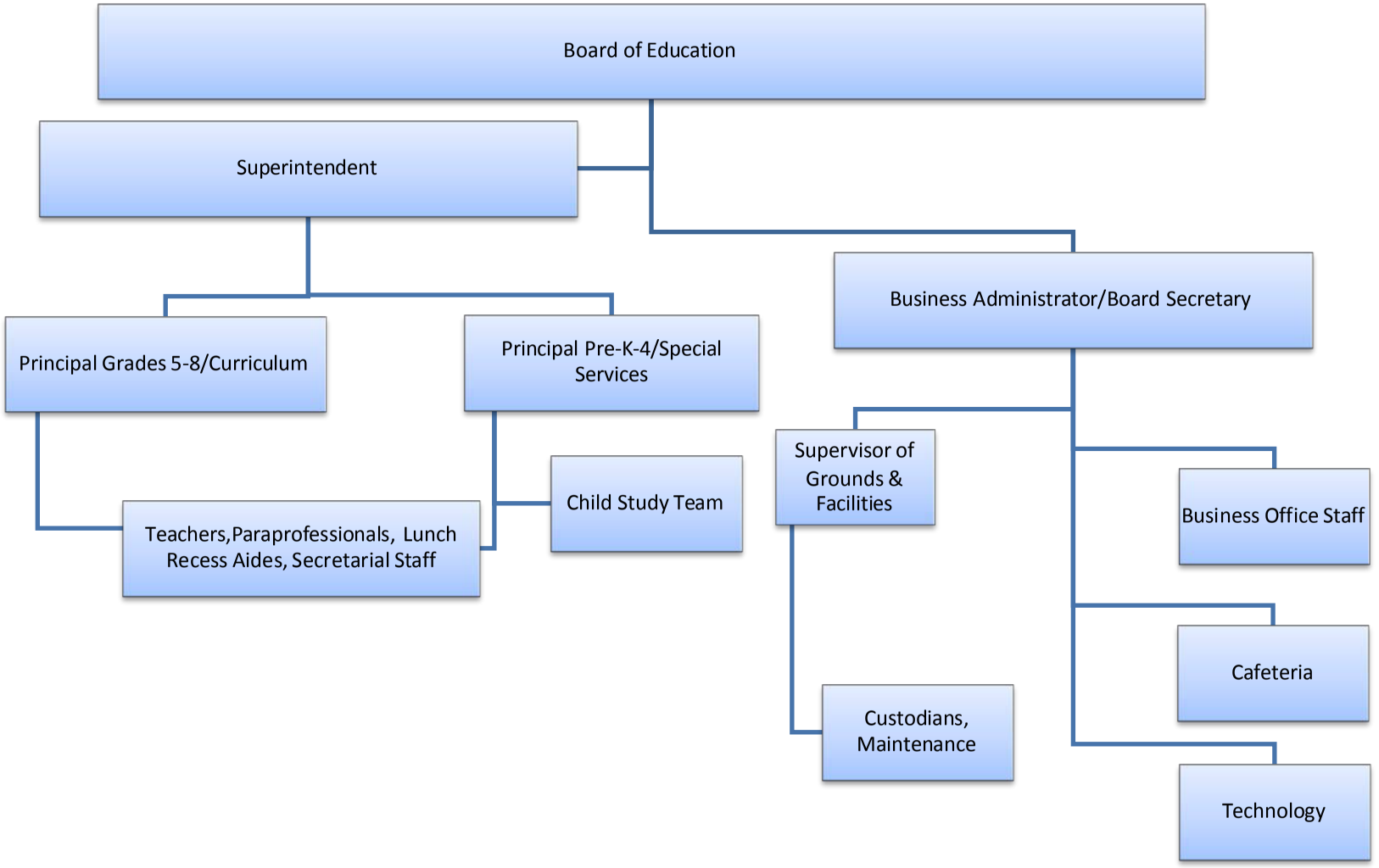
ACKNOWLEDGEMENTS

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

Respectfully submitted,

Jake Bryson, School Business Administrator/Board Secretary

Hainesport Township School District Organizational Chart



HAINESPORT TOWNSHIP SCHOOL DISTRICT
ROSTER OF OFFICIALS
June 30, 2025

MEMBERS OF THE BOARD OF EDUCATION

Jason Cardonick, President	2025
Bianca Cuniglio, Vice President	2025
Melissa Carlton	2026
Larry Brandolph	2024
Erin Minero	2026
Jeff Duda	2025
Shelby Maccar	2027
Lauara MacLachlan	2027
Jennifer Weres	2026

MEMBERS OF THE BOARD OF EDUCATION

Mr. Joseph Corn, Chief School Administrator

Christopher DeSanto, Board Secretary/Business Administrator

Donna Condo, Treasurer

Audra A. Pondish, Solicitor (Adams, Gutierrez & Lattiboudere, LLC)

HAINESPORT TOWNSHIP SCHOOL DISTRICT
Hainesport, New Jersey

CONSULTANTS AND ADVISORS

AUDIT FIRM

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

ATTORNEY

Audra A. Pondish
Adams Gutierrez & Lattiboudere, LLC
10000 Lincoln Drive East, Suite 201
Marlton, New Jersey 08053

OFFICIAL DEPOSITORIES

Investors Bank
Mt. Laurel Township, New Jersey 08054

FINANCIAL SECTION

HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

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

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the

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

Supplementary Information

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

Other Information

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

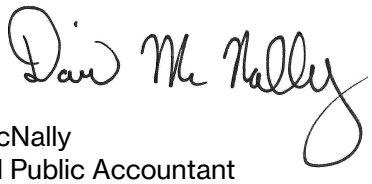
In connection with the audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2025 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

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



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

Medford, New Jersey
October 21, 2025

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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

As management of the Hainesport Township School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 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.

Overview of the Basic Financial Statements

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

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

Notes to the Basic Financial Statements

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

Recall that the Statement of Net Position provides the perspective of the school district as a whole (governmental and business-type activities). Net position may serve over time as a useful indicator of a government's financial position.

The School District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt and other long-

term liabilities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2025 compared to fiscal year 2024.

Table 1
Summary of Net Position

	June 30, 2025	June 30, 2024	Increase/ (Decrease)	Percentage Change
Current & Other Assets	$ 2,497,540	$ 3,612,505	$ (1,114,965)	-31%
Capital Assets, Net	7,182,658	7,595,650	(412,992)	-5%
Total Assets	9,680,198	11,208,155	(1,527,957)	-14%
Deferred Outflow of Resources	264,090	226,385	37,705	17%
Current and other Liabilities	336,362	542,249	(205,887)	-38%
Noncurrent Liabilities	3,211,399	3,596,337	(384,938)	-11%
Total Liabilities	3,547,761	4,138,586	(590,825)	-14%
Deferred Inflow of Resources	142,372	184,313	(41,941)	-23%
Net Position:				
Net Investment in Capital Assets	5,578,847	5,610,437	(31,590)	-1%
Restricted	1,997,027	2,865,323	(868,296)	-30%
Unrestricted (Deficit)	(1,321,719)	(1,364,119)	42,400	-3%
Total Net Position	$ 6,254,155	$ 7,111,641	$ (857,486)	-12%

Table 2 shows the changes in net position for fiscal year 2025 compared to fiscal year 2024.

Table 2
Summary of Changes in Net Position

	June 30, 2025	June 30, 2024	Increase/ (Decrease)	Percentage Change
Revenues:				
Program Revenues:				
Charges for Services	$ 190,232	$ 151,071	$ 39,161	26%
Operating Grants & Contributions	2,364,709	2,401,921	(37,212)	-2%
General Revenues:				
Property Taxes	10,088,400	9,610,296	478,104	5%
Federal & State Aid	909,958	929,319	(19,361)	-2%
Other General Revenues	150,243	63,360	86,883	137%
Total Revenues	13,703,542	13,155,967	547,575	4%
Function/Program Expenses:				
Regular Instruction	3,472,785	3,297,284	175,501	5%
Special Education Instruction	1,225,535	1,192,500	33,035	3%
Other Instruction	308,662	232,000	76,662	33%
Tuition	559,674	95,990	463,684	483%
Student & Instruction Related Services	2,421,060	1,991,646	429,414	22%
General Administrative	352,720	403,362	(50,642)	-13%
School Administrative Services	241,428	197,053	44,375	23%
Central Services	306,467	240,834	65,633	27%
Plant Operations & Maintenance	1,055,752	867,479	188,273	22%
Pupil Transportation	538,624	513,831	24,793	5%
Unallocated Benefits	2,720,301	2,254,033	466,268	21%
On Behalf TPAF Pension and Social Security Contributions	300,998	837,692	(536,694)	-64%
Special Schools	24,768	6,359	18,409	289%
Transfer to Charter Schools	13,431	13,193	238	2%
Interest & Other Charges	73,169	90,595	(17,426)	-19%
Unallocated Depreciation	634,495	630,014	4,481	1%
Food Service	311,159	301,952	9,207	3%
Total Expenses	14,561,028	13,165,817	1,395,211	11%
Change In Net Position	(857,486)	(9,850)	(847,636)	
Net Position - Beginning	7,111,641	7,121,491	(9,850)	
Net Position - Ending	$ 6,254,155	$ 7,111,641	$ (857,486)	

Governmental Activities

During the fiscal year 2025, the net position of governmental activities decreased by $864,704 or 12%.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by $6,188,071, with an unrestricted deficit balance of $1,335,298. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District's governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

Unrestricted Net Position (With GASB 68)	$	(1,335,298)
Add back: PERS Pension Liability		1,110,964
Less: Deferred Outflows related to pensions		(229,891)
Add back: Deferred Inflows related to pensions		142,372
Unrestricted Net Position (With GASB 68)	$	(311,853)

Business-type Activities

During the fiscal year 2025, the net position of business-type activities increased by $7,218 or 11%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by $66,084.

General Fund Budgeting Highlights

Final budgeted revenues was $10,611,837, which equaled the original budget. Excluding nonbudgeted revenues, the School District's actual revenues exceeded budgeted revenues by $118,931.

Final budgeted appropriations was $11,782,444, which was equal to the original budget. Excluding nonbudgeted appropriations, the School District's budgeted appropriations were short by actual appropriations by $117,482.

The School District's general fund balance – budgetary basis (Exhibit C-1) was $2,319,631 at June 30, 2025, an decrease of $934,194 from the prior year.

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of $2,296,148, a decrease of $914,950 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund decreased by $904,646 or 28% to $2,274,118 at June 30, 2025, compared to a decrease of $30,737 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- The District used more fund balance in 2024-2025 compared to the 2023-2024 budget.

Special revenue fund – During the current fiscal year the fund balance of the School Districts special revenue fund decreased by $10,304 or 32% to $22,030.

Debt service fund – During the current fiscal year the fund balance of the School Districts debt service fund had no change.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by $7,218 or 12%% to $66,084 at June 30, 2024, compared to a decrease of $58,866 in net position in the prior fiscal year.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2025, totaled $7,182,658 (net of accumulated depreciation). Capital assets include land, land improvements, buildings and improvements and equipment. The school districts "Net Investment in Capital Assets" component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of $412,992. This decrease is primarily due to the current year depreciation expense. Table 4 shows fiscal 2025 balances compared to 2024.

Table 4
Summary of Capital Assets

Capital Assets:	June 30, 2025	June 30, 2024	Increase/ (Decrease)	Percentage Change
Land	$ 40,490	$ 40,490	$ -	0%
Land Improvements	631,232	631,232	-	0%
Building and Improvements	17,289,905	17,066,905	223,000	1%
Equipment	1,998,386	1,998,386	-	0%
Accumulated Depreciation	(12,777,355)	(12,141,363)	(635,992)	5%
	$ 7,182,658	$ 7,595,650	$ (412,992)	-5%
Depreciation Expense	$ 635,992	$ 631,511	$ 4,481	1%

Depreciation expense for the year was $635,992. 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.

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of $1,395,000, which is a decrease of $335,000 from the prior year.

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

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Hainesport Township School District Business Administrator, 211 Broad Street P.O. Box 538, Hainesport, New Jersey 08036, telephone number (609) 265-8050.

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

EXHIBIT A-1

HAINESPORT TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	$ 1,239,967	$ 74	$ 1,240,041
Receivables, Net (Note 4)	168,913	18,110	187,023
Inventory	-	5,310	5,310
Restricted Cash & Cash Equivalents	1,065,166	-	1,065,166
Capital Assets, Net (Note 5)			
Non-depreciable	40,490	-	40,490
Depreciable	7,089,663	52,505	7,142,168
Total Assets	9,604,199	75,999	9,680,198
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	229,891	-	229,891
Related to Loss on Debt Refunding	34,199	-	34,199
Total Deferred Outflow of Resources	264,090	-	264,090
LIABILITIES:			
Accounts Payable	98,712	397	99,109
Payroll Deductions & Withholdings Payable	6,417	-	6,417
Due to Other Governments	116,580	-	116,580
Unearned Revenue	72,769	9,518	82,287
Accrued Interest	31,969	-	31,969
Noncurrent Liabilities (Note 7):			
Due within one year	369,002	-	369,002
Due in more than one year	2,842,397	-	2,842,397
Total Liabilities	3,537,846	9,915	3,547,761
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	142,372	-	142,372
Total Deferred Inflow of Resources	142,372	-	142,372
NET POSITION:			
Net Investment in Capital Assets	5,526,342	52,505	5,578,847
Restricted for:			
Capital Reserve	932,126	-	932,126
Maintenance Reserve	133,040	-	133,040
Unemployment	99,972	-	99,972
Scholarships	6,931	-	6,931
Student Activities	15,099	-	15,099
Excess Surplus	809,859	-	809,859
Unrestricted (Deficit)	(1,335,298)	13,579	(1,321,719)
Total Net Position	$ 6,188,071	$ 66,084	$ 6,254,155

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

EXHIBIT A-2

HAINESPORT TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS & CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS & CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: GOVERNMENTAL ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: BUSINESS-TYPE ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	$ 3,472,785	$ -	$ 471,030	$ -	$ (3,001,755)	$ -	$ (3,001,755)
Special Education Instruction	1,225,535	-	-	-	(1,225,535)	-	(1,225,535)
Other Instruction	308,662	-	-	-	(308,662)	-	(308,662)
Support Services:							
Tuition	559,674	-	-	-	(559,674)	-	(559,674)
Student & Instruction Related Services	2,421,060	-	610,648	-	(1,810,412)	-	(1,810,412)
General Administrative	352,720	-	-	-	(352,720)	-	(352,720)
School Administrative Services	241,428	-	-	-	(241,428)	-	(241,428)
Central Services	306,467	-	-	-	(306,467)	-	(306,467)
Plant Operations & Maintenance	1,055,752	-	-	-	(1,055,752)	-	(1,055,752)
Pupil Transportation	538,624	-	-	-	(538,624)	-	(538,624)
Unallocated Benefits	2,720,301	-	854,060	-	(1,866,241)	-	(1,866,241)
On Behalf TPAF Pension and Social Security Contributions	300,998	-	300,998	-	-	-	-
Special Schools	24,768	-	-	-	(24,768)	-	(24,768)
Transfer to Charter Schools	13,431	-	-	-	(13,431)	-	(13,431)
Interest & Other Charges	73,169	-	-	-	(73,169)	-	(73,169)
Unallocated Depreciation	634,495	-	-	-	(634,495)	-	(634,495)
Total Governmental Activities	14,249,869	-	2,236,736	-	(12,013,133)	-	(12,013,133)
Business-Type Activities:							
Food Service	311,159	190,232	127,973	-	-	7,046	7,046
Total Business-Type Activities	311,159	190,232	127,973	-	-	7,046	7,046
Total Primary Government	$ 14,561,028	$ 190,232	$ 2,364,709	$ -	(12,013,133)	7,046	(12,006,087)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					9,671,688	-	9,671,688
Property Taxes Levied for Debt Service					416,712	-	416,712
Federal & State Aid Restricted					(28,599)	-	(28,599)
Federal & State Aid Not Restricted					938,557	-	938,557
Miscellaneous					150,071	172	150,243
Total General Revenues					11,148,429	172	11,148,601
Change In Net Position					(864,704)	7,218	(857,486)
Net Position - Beginning					7,052,775	58,866	7,111,641
Net Position - Ending					$ 6,188,071	$ 66,084	$ 6,254,155

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

Fund Financial Statements

Governmental Funds

EXHIBIT B-1

HAINESPORT TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:			
Cash & Cash Equivalents	$ 1,153,230	$ 86,737	$ 1,239,967
Receivables, Net:			
Interfund Receivable	9,031	-	9,031
Due from Other Governments:			
State	145,413	-	145,413
Federal	-	15,273	15,273
Other	-	1,820	1,820
Other Receivables	6,407	-	6,407
Restricted Cash & Cash Equivalents	1,065,166	-	1,065,166
Total Assets	$ 2,379,247	$ 103,830	$ 2,483,077
LIABILITIES & FUND BALANCES:			
Liabilities:			
Accounts Payable	$ 98,712	$ -	$ 98,712
Interfund Payable	-	9,031	9,031
Payroll Deductions & Withholdings Payable	6,417	-	6,417
Unearned Revenue	-	72,769	72,769
Total Liabilities	105,129	81,800	186,929
Fund Balances:			
Restricted for:			
Capital Reserve	932,126	-	932,126
Maintenance reserve	133,040	-	133,040
Excess Surplus - Current year	155,476	-	155,476
Excess Surplus - Designated for Subsequent Year's Expenditures	654,383	-	654,383
Unemployment Compensation	99,972	-	99,972
Scholarships	-	6,931	6,931
Student Activities	-	15,099	15,099
Assigned to:			
Designated for Subsequent Year's Expenditures	26,845	-	26,845
Unassigned	272,276	-	272,276
Total Fund Balances	2,274,118	22,030	2,296,148
Total Liabilities & Fund Balances	$ 2,379,247	$ 103,830	

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 $19,810,033 and the accumulated depreciation is $12,679,881.	7,130,153
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows related to pensions	229,891
Deferred Inflows related to pensions	(142,372)
Deferred Outflow related to the loss on bond refunding of debt	34,199
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(31,969)
Accrued pension contributions for the June 30, 2025 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(116,580)
Long-term liabilities, including net pension liability an bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(3,211,399)
Net Position of Governmental Activities	$ 6,188,071

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

EXHIBIT B-2

HAINESPORT TOWNSHIP 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	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:				
Local Sources:				
Local Tax Levy	$ 9,671,688	$ -	$ 416,712	$ 10,088,400
Interest on Capital Reserve	400	-	-	400
Interest on Maintenance Reserve	80	-	-	80
Miscellaneous	149,591	144,681	-	294,272
Total Local Sources	9,821,759	144,681	416,712	10,383,152
State Sources	3,323,751	694,838	4,788	4,023,377
Federal Sources	-	245,721	-	245,721
Total Revenues	13,145,510	1,085,240	421,500	14,652,250
Expenditures:				
Instruction:				
Regular Instruction	3,001,755	471,030	-	3,472,785
Special Education Instruction	1,225,535	-	-	1,225,535
Other Instruction	308,662	-	-	308,662
Support Services:				
Tuition	559,674	-	-	559,674
Student & Instruction Related Services	1,800,108	620,952	-	2,421,060
General Administrative	352,720	-	-	352,720
School Administrative Services	241,428	-	-	241,428
Central Services	306,467	-	-	306,467
Plant Operations & Maintenance	1,055,752	-	-	1,055,752
Pupil Transportation	538,624	-	-	538,624
Unallocated Benefits	1,938,903	-	-	1,938,903
On Behalf TPAF Pension and Social Security Contributions	2,385,194	-	-	2,385,194
Special Schools	24,768	-	-	24,768
Transfer to Charter Schools	13,431	-	-	13,431
Capital Outlay	256,387	3,562	-	259,949
Debt Service:				
Principal	-	-	335,000	335,000
Interest & Other Charges	40,748	-	86,500	127,248
Total Expenditures	14,050,156	1,095,544	421,500	15,567,200
Excess/(Deficiency) of Revenues over Expenditures	(904,646)	(10,304)	-	(914,950)
Fund Balance, July 1	3,178,764	32,334	-	3,211,098
Fund Balance, June 30	$ 2,274,118	$ 22,030	$ -	$ 2,296,148

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

EXHIBIT B-3

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

Total Net Changes in Fund Balances - Governmental Funds (B-2)		$ (914,950)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense	$ (634,495)	
Capital outlays	223,000	
		(411,495)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		81,182
Repayment of long-term debt principal and obligation of financed purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		335,000
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
Amortization of premium on bonds	54,002	
Amortization of loss on bond refunding	(7,600)	
		46,402
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		7,677
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(8,520)
Change in Net Position of Governmental Activities		$ (864,704)

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

Proprietary Funds

EXHIBIT B-4

HAINESPORT TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	FOOD SERVICE
ASSETS	
Current Assets:	
Cash & Cash Equivalents	$ 74
Accounts Receivable:	
State	407
Federal	6,547
Other	11,156
Inventories	5,310
Total Current Assets	23,494
Noncurrent Assets:	
Equipment	149,979
Less: Accumulated Depreciation	(97,474)
Total Noncurrent Assets	52,505
Total Assets	75,999
LIABILITIES	
Current Liabilities	
Unearned Revenues	9,518
Accounts Payable	397
Total Current Liabilities	9,915
NET POSITION	
Investment in Capital Assets	52,505
Unrestricted	13,579
Total Net Position	$ 66,084

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

EXHIBIT B-5

HAINESPORT TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	FOOD SERVICE
Operating Revenues:	
Charges for service:	
Daily sales - reimbursable programs	$ 85,459
Daily sales - non-reimbursable programs	60,202
Special Functions	370
Miscellaneous	44,201
Total Operating Revenue	190,232
Operating Expenses:	
Cost of Sales - reimbursable programs	93,846
Cost of Sales - nonreimbursable Programs	30,714
General supplies	9,538
Salaries & employee benefits	133,004
Management fee	27,000
Cleaning, repair and maintenance services	6,535
Miscellaneous	9,025
Depreciation	1,497
Total Operating Expenses	311,159
Operating Income/(Loss)	(120,927)
Nonoperating Revenues/(Expense):	
State Sources:	
State School Lunch Program	2,594
State School Lunch Program - Reduced	402
State School Breakfast Program - Reduced	50
Summer EBT Program	322
NJEIE	1,463
Federal Sources:	
National School Lunch Program	75,243
National School Breakfast Program	10,932
Healthy Hunger-Free Kids Act	3,673
Food Distribution Program	23,435
Supply Chain Assistance	9,537
Summer EBT Program	322
Interest Revenue	172
Total Nonoperating Revenues/(Expenses)	128,145
Change in Net Position	7,218
Net Position - Beginning	58,866
Net Position - Ending	$ 66,084

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

EXHIBIT B-6

HAINESPORT TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	FOOD SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	$ 186,183
Payments to Employees	(133,004)
Payments for Supplies and Services	(161,356)
Net Cash Provided by/(Used for) Operating Activities	(108,177)
Cash Flows From Non Capital Financing Activities:	
State Sources	3,185
Federal Sources	98,622
Net Cash Provided by (Used for) Non Capital & Related Financing Activities	101,807
Cash Flows From Investing Activities:	
Interest Revenue	172
Net Cash Provided by Investing Activities	172
Net Increase/(Decrease) in Cash & Cash Equivalents	(6,198)
Cash & Cash Equivalents, July 1	6,272
Cash & Cash Equivalents, June 30	$ 74

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

Operating Income/(Loss)	$ (120,927)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities:	
Depreciation Expense	1,497
Food Distribution Program	23,435
(Increase)/Decrease in Inventories	452
Increase/(Decrease) in Unearned Revenues	(8,982)
Increase/(Decrease) in Accounts Payable	397
(Increase)/Decrease in Accounts Receivable - Other	(4,049)
Net Cash Provided/(Used) by Operating Activities	$ (108,177)

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

HAINESPORT TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board consists of 9 members elected to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 8. The District has an approximate enrollment at June 30, 2025 of 539 students.

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

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

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

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14 and GASB Statement No. 90 – Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61. The District had no component units as of for the year ended June 30, 2025.

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

Government-Wide Financial Statements

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

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

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

Governmental Fund Financial Statements

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

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

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

Proprietary Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers

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

revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

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

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be

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

used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The District had no activity during the current fiscal year.

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

The District reports the following major proprietary funds:

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

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

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the

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

funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

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

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

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

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

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

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

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

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

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

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2025 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

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

Interfund Receivables/Payables

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

Capital Assets

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

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

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

Land Improvements	10 – 20 Years
Building and Improvements	10 – 50 Years
Furniture and Equipment	5 – 20 Years
Vehicles	4 – 6 Years

Compensated Absences

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

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

employees, are accounted for in the period in which such services are rendered or in which such events take place.

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

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

on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Balance

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

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

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

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of June 30, 2025.

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District's policy to consider amounts to have been

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

spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

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

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

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

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 101, *Compensated Absences*, aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has implemented this standard for the fiscal year ended June 30, 2025, see Note 14.

Recently Issued Accounting Pronouncements

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

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

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

Statement No. 103, *Financial Reporting Model Improvements*, requires that the information presented in the management's discussion and analysis (MD&A) be limited to the related topics discussed in five sections: 1) Overview of the Financial Statements, 2) Financial Summary, 3) Detailed Analyses, 4) Significant Capital Asset and Long-Term Financing Activity, and 5) Currently Known Facts, Decisions, or Conditions. The Statement emphasizes that the analysis provided in the MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that boilerplate discussion should be avoided by presenting only the most relevant information. Statement No. 103 is effective for reporting periods beginning after June 15, 2024. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Lease assets recognized in accordance with Statement No. 87, intangible right-to-use assets recognized in accordance with Statement No. 94 and subscription assets recognized in accordance with Statement No. 96 should be disclosed separately by major class of underlying asset in the capital asset note disclosures. Statement No. 104 is effective for reporting periods beginning after June 15, 2024. Management has not yet determined the potential impact on the District's financial statements.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources represents a consumption of net position that applies to a future

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

period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

Pensions

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

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2025, the District's bank balance of $2,673,291 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	$ 2,639,017
Uninsured and Uncollateralized	34,274
	$ 2,673,291

Investments

The District had no investments at June 30, 2025.

Note 3. Reserve Accounts

Capital Reserve

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

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

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

Beginning Balance, July 1, 2024	$	1,196,726
Increased by:		
Interest Earnings		400
		1,197,126.00
Decreased by:		
Budget Withdrawls		(265,000)
Ending Balance, June 30, 2025	$	932,126

Maintenance Reserve

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

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

Note 3. Reserve Accounts (continued)

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

Beginning Balance, July 1, 2024	$	270,460
Increased by:		
Interest Earnings		80
	$	270,540
Decreased by:		
Budget Withdrawls		(137,500)
Ending Balance, June 30, 2025	$	133,040

Note 4. Accounts Receivable

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

	Governmental Funds			Proprietary Funds	
Description	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities
Federal Awards	$ -	$ 15,273	$ 15,273	$ 6,547	$ 6,547
State Awards	145,413	-	145,413	407	407
Other	6,407	1,820	8,227	11,156	11,156
Total	$ 151,820	$ 17,093	$ 168,913	$ 18,110	$ 18,110

Note 5. Capital Assets

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

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 40,490	$ -	$ -	$ 40,490
Total Capital Assets not being depreciated	40,490	-	-	40,490
Capital Assets being depreciated:				
Land Improvements	631,232	-	-	631,232
Buildings and Improvements	17,066,905	223,000	-	17,289,905
Equipment	1,848,407	-	-	1,848,407
Total Capital Assets being depreciated	19,546,544	223,000	-	19,769,544
Less: Accumulated Depreciation:				
Land Improvements	(215,556)	(895)	-	(216,451)
Buildings and Improvements	(10,260,771)	(620,564)	-	(10,881,335)
Equipment	(1,569,059)	(13,036)	-	(1,582,095)
Total Accumulated Depreciation	(12,045,386)	(634,495)	-	(12,679,881)
Total Capital Assets being depreciated, net	7,501,158	(411,495)	-	7,089,663
Total Governmental Activities Capital Assets, net	$ 7,541,648	$ (411,495)	$ -	$ 7,130,153

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025
Business-Type Activities:				
Equipment	$ 149,979	$ -	$ -	$ 149,979
	149,979	-	-	149,979
Less: Accumulated Depreciation:				
Equipment	(95,977)	(1,497)	-	(97,474)
	(95,977)	(1,497)	-	(97,474)
Total Business-Type Activities Capital Assets, net	$ 54,002	$ (1,497)	$ -	$ 52,505

Depreciation expense was not allocated among the various functions/programs of the District.

Note 6. Interfund Receivables, Payables and Transfers

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

Fund	Interfund Receivables	Interfund Payables
General Fund	$ 9,031	$ -
Special Revenue Fund	-	9,031
	$ 9,031	$ 9,031

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

Note 7. Long-Term Obligations

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

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Balance Due Within One Year
Governmental Activities:					
General Obligation Bonds	$ 1,730,000	$ -	$ 335,000	$ 1,395,000	$ 315,000
Unamortized Bond Premiums	297,012	-	54,002	243,010	54,002
Compensated Absences	453,905	8,520	-	462,425	-
Net Pension Liability	1,115,420	-	4,456	1,110,964	-
	$ 3,596,337	$ 8,520	$ 393,458	$ 3,211,399	$ 369,002

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

Bonds Payable

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

On December 17, 2019, the District issued $3,320,000 of Refunding Bonds, refunding the 2010 General Obligation Bonds. The Refunding Bonds were issued at interest rates varying from 4.000% to 5.000% and mature on January 15, 2030.

Note 7. Long-Term Obligations (continued):

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	$ 315,000	$ 69,750	$ 384,750
2027	290,000	54,000	344,000
2028	275,000	39,500	314,500
2029	265,000	25,750	290,750
2030	250,000	12,500	262,500
	$ 1,395,000	$ 201,500	$ 1,596,500

Bonds Authorized but not Issued

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

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Note 8. Pension Plans (continued):

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries have determined 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 is adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2025, the School District reported a liability of $1,110,964 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The School District's proportion measured as of June 30, 2024, was 0.008176%, which was an increase of 0.00048% from its proportion measured as of June 30, 2023.

Note 8. Pension Plans (continued):

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

For the year ended June 30, 2025, the School District recognized full accrual pension expense/(benefit) of $30,070 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2024 measurement date. At June 30, 2025 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 22,255	$ 2,958
Changes of Assumptions	1,380	12,640
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	51,512
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	89,676	75,262
School District Contributions Subsequent to Measurement Date	116,580	-
	$ 229,891	$ 142,372

$116,580 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the estimated amount payable to the State due April 1, 2026 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2025	$ (31,530)
2026	24,397
2027	(14,036)
2028	(8,103)
2029	211
	$ (29,061)

Note 8. Pension Plans (continued):

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

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:

	Deferred Outflow of Resources	Deferred Inflow of Resources
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		
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	-	-
June 30, 2024	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2019	-	-
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
Changes in Proportion and Differences between Contributions and Pro Year of Pension Plan Deferral:		
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04
June 30, 2023	5.08	5.08
June 30, 2024	5.08	5.08

Note 8. Pension Plans (continued):

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

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

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

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

The actuarial assumptions used in the July 1, 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.

Note 8. Pension Plans (continued):

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

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

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

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

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

Note 8. Pension Plans (continued):

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	$ 1,488,623	$ 1,110,964	$ 806,887

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

The State's proportionate share of the PERS net pension liability associated with the special funding situation is $-0- as of June 30, 2025. The State's proportionate share of the contribution associated with the special funding situation was $3,582 as of June 30, 2025. These are based on measurements as of June 30, 2024.

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

Note 8. Pension Plans (continued):

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2024 was $18,077,702. The School District's proportionate share was $-0-.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.03658%, which was a decrease of 0.00185% from its proportion measured as of June 30, 2023.

Note 8. Pension Plans (continued):

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

For the fiscal year ended June 30, 2025, the School District recognized $(65,945) in on-behalf pension expense/(benefit) and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense/(benefit) and revenue was based on the pension plans June 30, 2024 measurement date.

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

The actuarial assumptions used in the July 1, 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

Note 8. Pension Plans (continued):

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

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

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

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

Note 8. Pension Plans (continued):

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	21,487,908	18,077,702	15,205,664
	$ 21,487,908	$ 18,077,702	$ 15,205,664

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

Note 8. Pension Plans (continued):

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

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

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

For the year ended June 30, 2025, employee contributions totaled $6,039, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of $3,294.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The schedule of total nonemployer OPEB liability (the Schedule) presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2024, was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial

Note 9. Other Post-Retirement Benefits (continued)

assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Total Nonemployer OPEB Liability: $ 59,650,630,530

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

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabilities. Future disabled retirees was based on the Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Actuarial assumptions used in the July 1, 2023 valuation were based on the results of TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2024 was $25,854,103. The School District's proportionate share was $0.

The OPEB Obligation was measured as of June 30, 2024, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the OPEB Obligation attributable to the School District was 0.04334%, which was an increase of 0.0002% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized an OPEB expense in the amount of $853,303 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2024 measurement date.

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

	June 30, 2024		
	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
State of New Jersey's Proportionate Share of Total Obligations Associated with the School District	$ 30,280,692	$ 25,854,103	$ 22,294,207
State of New Jersey's Total Non- employer Liability	$ 69,863,663,542	$ 59,650,630,530	$ 51,437,232,141

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

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

Note 9. Other Post-Retirement Benefits (continued)

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	$ 21,536,656	$ 25,854,103	$ 31,477,863
State of New Jersey's Total Nonemployer OPEB Liability	$ 49,689,409,509	$ 59,650,630,530	$ 72,625,778,279

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2024 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	$ -	$ -
Differences between Expected & Actual Experience	6,378,932,312	(11,139,706,892)
Change in Assumptions	10,004,978,073	(11,662,607,882)
Contributions Made in Fiscal Year Year Ending 6/30/2024 After Measurement Date	TBD	N/A
	$ 16,383,910,385	$ (22,802,314,774)

** Employer Contributions made after June 30, 2024 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,	
2025	$ (2,115,877,507)
2026	(1,774,175,666)
2027	(842,677,045)
2028	221,470,185
2029	(1,537,725,697)
Thereafter	(369,418,659)
	$ (6,418,404,389)

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

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

	June 30, 2023
Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	153,556
	372,741

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

Total OPEB Liability

Service Cost	$ 2,152,062,729
Interest Cost	1,963,557,443
Difference Between Expected & Actual Experience	158,934,425
Changes of Assumptions	4,462,660,491
Contributions: Member	51,347,810
Gross Benefit Payments	(1,499,600,607)
Net Change in Total OPEB Liability	7,288,962,291
Total OPEB Liability (Beginning)	52,361,668,239
Total OPEB Liability (Ending)	$ 59,650,630,530
Total Covered Employee Payroll	$ 15,845,935,573
Net OPEB Liability as a Percentage of Payroll	376%

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

As previously mentioned, the District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2025, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were $1,561,871, $366,186, $456,380 and $757, respectively.

Note 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; injuries to employees; and natural disasters.

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

Fiscal Year	Interest	Employee Contributions	Amount Reimbursed	Ending Balance
2024-2025	$ 856	$ 11,998	$ 186	$ 99,972
2023-2024	1,213	11,880	21,082	87,304
2022-2023	752	11,353	3,375	95,293

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

Joint Insurance Pool – The District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property & Crime	General & Automobile Liability
Pollution Legal Liability Liability	Workers' Compensation
Educators Legal Liability	Boiler & Machinery Liability
Cyber Liability	Violent & Malicious Acts

Note 12. Contingencies

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

Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts' attorney that

Note 12. Contingencies (continued)

resolution of these matters will not have a material adverse effect on the financial condition of the District.

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

Note 13. Deferred Compensation

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

AXA Equitable
Lincoln Investment Planning, Inc.
Valic Investments
The Legend Group
Security Benefit & Life

Note 14. Compensated Absences

Sick

Under the current policy, full-time employees may accrue up to thirteen (13) working days of sick leave per calendar year. Payouts for accrued sick time may not exceed $15,000 at the time of termination.

Vacation

Under the current policy, full-time employees are entitled to vacation time of up to 25 days per year. Employees may receive compensation at their per diem rate for a maximum of 5 days. Upon retirement or resignation, employees will be compensated for unused vacation days at per diem rate. Superintendent is entitled to a payout upon termination.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2025, the liability for compensated absences reported on the government-wide Statement of Net Position was $462,425.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to

Note 15. Tax Abatements (Continued)

subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. Districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the 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 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 district.

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

Note 16. Commitments

The District has no contractual commitments at June 30, 2025.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 was $155,476.

Note 18. Fund Balances

General Fund – Of the $2,274,118 General Fund fund balance at June 30, 2025, $932,126 has been restricted for the Capital Reserve Account; $133,040 has been restricted for the maintenance reserve account; $155,476 has been restricted for current year excess surplus; $654,383 is restricted for prior year excess surplus – designated for subsequent year's expenditures; $99,972 is restricted for Unemployment Compensation; $26,845 has been assigned as designated for subsequent year's expenditures and $272,276 has been unassigned.

Special Revenue Fund – Of the $22,030 Special Revenue Fund fund balance at June 30, 2024, $15,099 has been restricted for Student Activities and $6,931 has been restricted for Scholarships.

Note 19. Deficit in Net Position

Unrestricted Net Position – The District's governmental activities had a deficit in unrestricted net position in the amount of $1,335,298. The primary causes of the deficit are the District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees' Retirement System (PERS) as of June 30, 2025. This deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2025 and October 21, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

EXHIBIT C-1

HAINESPORT TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210-000-000	$ 9,671,688	$ -	$ 9,671,688	$ 9,671,688	$ -
Unrestricted Miscellaneous Revenues	10-1000-000-000	98,449	-	98,449	149,591	51,142
Interest on Maintenance Reserve	10-1000-000-000	80	-	80	80	-
Interest Earned on Capital Reserve	10-1000-000-000	400	-	400	400	-
Total Local Sources		9,770,617	-	9,770,617	9,821,759	51,142
State Sources:						
Transportation Aid	10-3121-000-000	137,699	-	137,699	137,699	-
Special Education Categorical Aid	10-3132-000-000	489,983	-	489,983	489,983	-
Equalization Aid	10-3176-000-000	91,090	-	91,090	91,090	-
Security Aid	10-3177-000-000	62,448	-	62,448	62,448	-
Extraordinary Aid	10-3131-000-000	60,000	-	60,000	106,270	46,270
Non-Public Transportation Aid	10-3xxx-000-000	-	-	-	21,519	21,519
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	1,561,871	1,561,871
On-Behalf TPAF Post-Retirement Medical		-	-	-	456,380	456,380
On-Behalf TPAF Long Term Disability Insurance		-	-	-	757	757
Reimbursed TPAF Social Security		-	-	-	366,186	366,186
Total State Sources		841,220	-	841,220	3,294,203	2,452,983
Total Revenues		10,611,837	-	10,611,837	13,115,962	2,504,125
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Local Contrib. - Trans to Special Rev - Inclusion	11-105-100-936	122,856	-	122,856	122,856	-
Kindergarten	11-110-100-101	217,414	3,994	221,408	221,408	-
Grades 1 - 5	11-120-100-101	1,312,139	(7,762)	1,304,377	1,304,377	-
Grades 6 - 8	11-130-100-101	903,768	(90,403)	813,365	813,365	-
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	5,000	(4,000)	1,000	960	40
Purchased Professional Educational Services	11-150-100-320	5,000	15,721	20,721	20,720	1
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	201,264	(23,235)	178,029	178,029	-
Purchased Professional Educational Services	11-190-100-320	90,000	69,933	159,933	159,467	466
Other Purchased Services	11-190-100-500	13,596	(3)	13,593	13,593	-
General Supplies	11-190-100-610	137,440	32,249	169,689	166,980	2,709
Textbooks	11-190-100-640	2,000	(2,000)	-	-	-
Total Regular Programs		3,010,477	(5,506)	3,004,971	3,001,755	3,216
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	63,024	(8,150)	54,874	54,874	-
Total Multiple Disabilities		63,024	(8,150)	54,874	54,874	-
Resource Room / Resource Center:						
Salaries of Teachers	11-213-100-101	1,143,886	(57,096)	1,086,790	1,086,790	-
Purchased Professional Educational Services	11-213-100-320	40,000	32,706	72,706	72,706	-
General Supplies	11-213-100-610	5,712	2,916	8,628	8,628	-
Other Resource Room/Resource Center	11-213-100-000	-	2,537	2,537	2,537	-
Total Resource Room/Resource Center		1,189,598	(18,937)	1,170,661	1,170,661	-
Total Special Education		1,252,622	(27,087)	1,225,535	1,225,535	-
Basic Skills/Remedial - Instruction:						
Salaries of Teachers	11-230-100-101	246,225	(4,570)	241,655	241,655	-
Total Basic Skills/Remedial - Instruction		246,225	(4,570)	241,655	241,655	-
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	19,000	6,290	25,290	25,290	-
Other Objects	11-401-100-800	8,800	(813)	7,987	7,967	20
Total School Sponsored Cocurricular - Activities		27,800	5,477	33,277	33,257	20
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	32,101	(4,971)	27,130	27,130	-
Other Purchased Services	11-402-100-500	1,000	3,895	4,895	4,895	-
Supplies and Materials	11-402-100-600	2,500	(505)	1,995	1,725	270
Total School Sponsored Athletics - Instruction		35,601	(1,581)	34,020	33,750	270
Total - Instruction		4,572,725	(33,267)	4,539,458	4,535,952	3,506

EXHIBIT C-1

HAINESPORT TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Undistributed Expenditures						
Instruction:						
Tuition to Other LEAs Within State - Regular	11-000-100-561	-	15,700	15,700	15,647	53
Tuition to Other LEAs Within State - Special	11-000-100-562	50,000	11,916	61,916	61,880	36
Tuition to CSSD & Regional Day School	11-000-100-565	406,655	(77,901)	328,754	327,168	1,586
Tuition to Private Schools for Disabled Within the State	11-000-100-566	43,785	75,539	119,324	113,292	6,032
Tuition to Private Schools for Disabled Outside the State	11-000-100-567	-	41,837	41,837	41,687	150
Total Undistributed Expenditures - Instruction		500,440	67,091	567,531	559,674	7,857
Health Services:						
Salaries	11-000-213-100	89,153	7,508	96,661	96,660	1
Purchased Professional & Technical Services	11-000-213-300	8,100	14,948	23,048	22,990	58
Supplies and Materials	11-000-213-600	5,000	53	5,053	4,956	97
Supplies - Menstrual Products	11-000-213-616	500	(500)	-	-	-
Total Health Services		102,753	22,009	124,762	124,606	156
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	67,474	(828)	66,646	66,646	-
Purchased Professional & Educational Services	11-000-216-320	150,000	(43,000)	107,000	86,123	20,877
Supplies and Materials	11-000-216-600	1,500	365	1,865	1,865	-
Total Other Support Services - Students - Related Services		218,974	(43,463)	175,511	154,634	20,877
Other Support Services - Students - Extraordinary Services:						
Salaries	11-000-217-100	55,000	(53,738)	1,262	1,262	-
Purchased Professional & Educational Services	11-000-217-320	515,094	340,857	855,951	850,131	5,820
Supplies and Materials	11-000-217-600	500	(139)	361	361	-
Total Other Support Services - Students - Extraordinary Services		570,594	286,980	857,574	851,754	5,820
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	180,117	(45,335)	134,782	134,697	85
Supplies and Materials	11-000-218-600	5,000	(546)	4,454	4,454	-
Total Other Support Services - Students - Regular		185,117	(45,881)	139,236	139,151	85
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	275,650	(10,803)	264,847	264,847	-
Salaries of Secretarial & Clerical Assistants	11-000-219-105	26,547	(391)	26,156	26,156	-
Purchased Professional Educational Services	11-000-219-320	5,000	(5,000)	-	-	-
Other Purchased Services	11-000-219-500	3,700	(3,700)	-	-	-
Miscellaneous Purchased Services	11-000-219-592	-	3,000	3,000	3,000	-
Supplies and Materials	11-000-219-600	6,000	(2,313)	3,687	3,687	-
Total Other Support Services - Students-Special Services		316,897	(19,207)	297,690	297,690	-
Improvement of Instruction Services:						
Salaries of Supervisors of Instruction	11-000-221-102	76,737	-	76,737	76,737	-
Other Salaries	11-000-221-110	1,000	1,226	2,226	1,862	364
Purchased Professional Educational Services	11-000-221-320	15,000	(6,891)	8,109	8,109	-
Other Purchased Services	11-000-221-500	-	2,500	2,500	2,500	-
Supplies and Materials	11-000-221-600	4,500	(1,500)	3,000	3,000	-
Total Improvement of Instruction Services		97,237	(4,665)	92,572	92,208	364
Educational Media Services/School Library:						
Salaries	11-000-222-100	98,721	(13,793)	84,928	84,928	-
Other Purchased Services	11-000-222-500	5,000	(70)	4,930	4,930	-
Supplies and Materials	11-000-222-600	68,500	(18,293)	50,207	50,207	-
Total Educational Media Services/School Library		172,221	(32,156)	140,065	140,065	-
Support Services General Administration:						
Salaries	11-000-230-100	221,169	(13,038)	208,131	208,130	1
Legal Services	11-000-230-331	36,000	(4,734)	31,266	30,489	777
Audit Services	11-000-230-332	35,000	2,076	37,076	34,151	2,925
Other Purchased Professional Serivces	11-000-230-339	5,000	(3,650)	1,350	1,350	-
Purchased Technical Services	11-000-230-340	5,500	1,345	6,845	6,845	-
Communications/Telephone	11-000-230-530	45,000	(1,345)	43,655	42,810	845
BOE Other Purchased Services	11-000-230-585	1,000	-	1,000	535	465
Other Purchased Services (400-500)	11-000-230-590	17,400	(271)	17,129	14,388	2,741
General Supplies	11-000-230-610	7,000	-	7,000	6,161	839
Miscellaneous	11-000-230-890	4,000	-	4,000	2,704	1,296
BOE Membership Dues & Fees	11-000-230-895	5,500	-	5,500	5,157	343
Total Support Services General Administration		382,569	(19,617)	362,952	352,720	10,232

EXHIBIT C-1

HAINESPORT TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Support Services School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	161,537	(20,327)	141,210	141,208	2
Salaries of Secretarial & Clerical Assistants	11-000-240-105	82,910	748	83,658	83,657	1
Salaries of Office Aides	11-000-240-106	-	1,381	1,381	1,381	-
Other Salaries	11-000-240-110	7,191	-	7,191	7,191	-
Unused Vacation Payments to Terminated/Retired Staff	11-000-240-199	1,100	(748)	352	-	352
Other Purchased Services(400-500)	11-000-240-500	4,852	-	4,852	3,589	1,263
Supplies and Materials	11-000-240-600	2,800	-	2,800	1,999	801
Other Objects	11-000-240-800	3,000	-	3,000	2,403	597
Total Support Services School Administration		263,390	(18,946)	244,444	241,428	3,016
Central Services						
Salaries	11-000-251-100	201,799	1,500	203,299	203,299	-
Unused Sick and Vacation Time	11-000-251-199	1,081	7,077	8,158	8,083	75
Purchased Professional & Technical Services	11-000-251-320	16,000	4,258	20,258	19,878	380
Miscellaneous Purchased Services	11-000-251-592	5,100	-	5,100	4,361	739
Supplies and Materials	11-000-251-600	10,000	(7,425)	2,575	2,575	-
Miscellaneous	11-000-251-890	2,500	-	2,500	1,450	1,050
Total Central Services		236,480	5,410	241,890	239,646	2,244
Administration Information Technology:						
Purchased Technical Services	11-000-252-340	55,520	14,297	69,817	66,593	3,224
Supplies and Materials	11-000-252-600	-	230	230	228	2
Total Administration Information Technology		55,520	14,527	70,047	66,821	3,226
Allowable Maintenance for School Facilities:						
Cleaning, Repair & Maintenance Services	11-000-261-420	40,000	(2,000)	38,000	32,136	5,864
Total Allowable Maintenance for School Facilities		40,000	(2,000)	38,000	32,136	5,864
Other Operation & Maintenance of Plant:						
Salaries	11-000-262-100	208,504	9,134	217,638	217,577	61
Salaries of Non-Instructional Aides	11-000-262-107	97,166	(11,085)	86,081	86,081	-
Unused Vacation Payments to Terminated/Retired Staff	11-000-262-199	1,000	(300)	700	479	221
Cleaning, Repair, and Maintenance Services	11-000-262-420	138,000	-	138,000	138,000	-
Other Purchased Property Services	11-000-262-490	64,000	43,895	107,895	107,456	439
Insurance	11-000-262-520	55,000	376	55,376	55,376	-
Miscellaneous Purchased Services	11-000-262-590	600	-	600	550	50
General Supplies	11-000-262-610	58,000	2,250	60,250	52,919	7,331
Energy (Natural Gas)	11-000-262-621	120,000	(21,766)	98,234	98,234	-
Energy (Heat & Electricity)	11-000-262-622	130,865	(24,858)	106,007	106,007	-
Energy (Oil)	11-000-262-624	-	5,000	5,000	4,353	647
Energy (Gasoline)	11-000-262-626	-	1,000	1,000	907	93
Other Objects	11-000-262-800	137,500	19,067	156,567	138,037	18,530
Total Other Operation & Maintenance of Plant		1,010,635	22,713	1,033,348	1,005,976	27,372
Security:						
Cleaning, Repair & Maintenance Services	11-000-266-420	-	17,640	17,640	17,640	-
Total Security		-	17,640	17,640	17,640	-
Student Transportation Services:						
Salaries of Non-Instructional Aid	11-000-270-107	3,000	(1,618)	1,382	-	1,382
Contracted Services - Aid in Lieu Payment - Nonpublic Schools	11-000-270-503	38,000	3,257	41,257	41,257	-
Contracted Services (Between Home & School) - Vendors	11-000-270-511	314,926	-	314,926	314,919	7
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	7,000	1,975	8,975	8,975	-
Contracted Services (Other Than Between Home & School) - Joint Agrmt	11-000-270-513	45,000	(9,655)	35,345	32,427	2,918
Contracted Services - ESC's & CTSA's - (Special Education Students) - Joint Agreements	11-000-270-515	85,000	47,286	132,286	132,245	41
Supplies and Materials	11-000-270-600	-	500	500	376	124
Other Objects	11-000-270-800	8,000	2,825	10,825	8,425	2,400
Total Student Transportation Services		500,926	44,570	545,496	538,624	6,872
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	96,000	-	96,000	91,819	4,181
Other Retirement Contributions - PERS	11-000-291-241	100,000	15,523	115,523	115,523	-
Workmen's Compensation	11-000-291-260	55,000	(4,500)	50,500	49,227	1,273
Health Benefits	11-000-291-270	1,714,007	(159,546)	1,554,461	1,554,332	129
Tuition Reimbursements	11-000-291-280	5,000	21,333	26,333	21,576	4,757
Unused Sick Payments	11-000-291-299	23,000	4,217	27,217	27,217	-
Other Employee Benefits	11-000-291-290	81,800	(2,033)	79,767	79,209	558
Total Unallocated Benefits		2,074,807	(125,006)	1,949,801	1,938,903	10,898

EXHIBIT C-1

HAINESPORT TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	1,561,871	(1,561,871)
On-Behalf TPAF Post-Retirement Medical		-	-	-	456,380	(456,380)
On-Behalf TPAF Long Term Disability Insurance		-	-	-	757	(757)
Reimbursed TPAF Social Security		-	-	-	366,186	(366,186)
Total Undistributed Expenditures		6,728,560	169,999	6,898,559	9,178,870	(2,280,311)
Total Expenditures - Current Expense		11,301,285	136,732	11,438,017	13,714,822	(2,276,805)
Capital Outlay:						
Facilities Acquisition & Construction Services:						
Legal Services	12-000-400-331	1,000	(1,000)	-	-	-
Architectural/Engineering Services	12-000-400-334	25,000	(15,900)	9,100	9,100	-
Construction Services	12-000-400-450	239,000	16,900	255,900	247,287	8,613
Assessment for Debt Service on SDA Funding	12-000-400-896	40,748	-	40,748	40,748	-
Interest Deposit to Capital Reserve	10-604	400	-	400	-	400
Interest Deposit to Maintenance Reserve	10-606	80	-	80	-	80
Total Facilities Acquisition & Construction Services		306,228	-	306,228	297,135	9,093
Total Capital Outlay		306,228	-	306,228	297,135	9,093
Summer School - Instruction						
Salaries	13-422-100-101	18,000	6,768	24,768	24,768	-
		18,000	6,768	24,768	24,768	-
Summer School - Support Services						
Purchased Professional and Technical Services	13-422-200-300	6,000	(6,000)	-	-	-
		6,000	(6,000)	-	-	-
Total Summer School		24,000	768	24,768	24,768	-
Total Expenditures		11,631,513	137,500	11,769,013	14,036,725	(2,267,712)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		(1,019,676)	(137,500)	(1,157,176)	(920,763)	236,413
Other Financing Sources/(Uses):						
Transfer to Charter Schools	10-000-100-560	(13,431)	-	(13,431)	(13,431)	-
Total Other Financing Uses		(13,431)	-	(13,431)	(13,431)	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(1,033,107)	(137,500)	(1,170,607)	(934,194)	236,413
Fund Balance, July 1		3,253,825	-	3,253,825	3,253,825	-
Fund Balances, June 30		$ 2,220,718	$ (137,500)	$ 2,083,218	$ 2,319,631	$ 236,413

RECAPITULATION OF BUDGET TRANSFERS:

Transfer for Maintenance Reserve	$ 137,500
Total Budget Transfers	$ 137,500

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	$ 932,126
Maintenance Reserve	133,040
Current Year Excess Surplus	155,476
Excess Surplus Designated of Subsequent Year's Expenditures	654,383
Unemployment	99,972
Assigned to:	
Designated for Subsequent Year's Expenditures	26,845
Unassigned Fund Balance	317,789
Subtotal	2,319,631
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	(45,513)
Total Fund Balance per Governmental Funds (GAAP)	$ 2,274,118

EXHIBIT C-2

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES:					
State Sources	$ -	$ 770,209	$ 770,209	$ 694,838	$ (75,371)
Federal Sources	1,152,565	(897,391)	255,174	245,721	(9,453)
Local Sources	-	123,356	123,356	144,681	21,325
Total Revenues	1,152,565	(3,826)	1,148,739	1,085,240	(63,499)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	255,481	(30,557)	224,924	190,837	34,087
Salaries of Aides	73,766	20,100	93,866	88,683	5,183
Purchased Professional Technical Services	100,000	(79,161)	20,839	20,839	-
Tuition	150,000	700	150,700	150,700	-
General Supplies	10,000	14,461	24,461	19,971	4,490
Miscellaneous	5,000	-	5,000	-	5,000
Total Instruction	594,247	(74,457)	519,790	471,030	48,760
Support Services:					
Salaries	172,343	(9,197)	163,146	146,220	16,926
Personal Services - Employee Benefits	149,055	(2,999)	146,056	146,056	-
Purchased Professional - Educational Services	20,000	36,120	56,120	56,087	33
Other Purchased Services	126,420	87,814	214,234	205,978	8,256
Supplies	30,500	8,035	38,535	36,978	1,557
Scholarships Awarded	-	-	-	175	(175)
Student Activities	-	-	-	29,458	(29,458)
Total Support Services	498,318	119,773	618,091	620,952	(2,861)
Facilities Acquisition & Construction Services:					
Instructional Equipment	10,000	(7,997)	2,003	-	2,003
Noninstructional Equipment	50,000	(41,145)	8,855	3,562	5,293
Total Facilities Acquisition & Construction Services	60,000	(49,142)	10,858	3,562	7,296
Total Expenditures	1,152,565	(3,826)	1,148,739	1,095,544	53,195
Total Outflows	1,152,565	(3,826)	1,148,739	1,095,544	53,195
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	$ -	$ -	$ -	$ (10,304)	$ (10,304)
Fund Balance, July 1				$ 32,334	
Fund Balance, June 30				$ 22,030	
Recapitulation:					
Restricted:					
Scholarships				$ 6,931	
Student Activities				15,099	
Total Fund Balance				$ 22,030	

EXHIBIT C-3

HAINESPORT TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" From the Budgetary Comparison Schedule (C-Series)	$ 13,115,962	$ 1,085,240
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	-
Current Year	-	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	75,061	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(45,513)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	$ 13,145,510	$ 1,085,240
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 14,050,156	$ 1,095,544
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.	-	-
Total Expenditures as Reported on the Statement of Revenues, Expenditures, & Changes in Fund Balances - Governmental Funds (B-2)	$ 14,050,156	$ 1,095,544

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

EXHIBIT L-1

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.00000%	0.00000%	0.00000%	0.00841%	0.00837%	0.00801%	0.00776%	0.00828%	0.00822%	0.00864%
School District's proportionate share of the net pension liability	$ 1,110,964	$ 1,115,420	$ 1,121,542	$ 996,201	$ 1,364,457	$ 1,443,101	$ 1,527,333	$ 1,926,337	$ 2,433,551	$ 1,939,329
School District's covered payroll	$ 781,955	$ 653,993	$ 634,239	$ 525,453	$ 598,963	$ 589,045	$ 597,072	$ 581,363	$ 631,093	$ 635,047
School District's proportionate share of the net pension liability as a percentage of its covered payroll	142.08%	170.56%	176.83%	189.59%	227.80%	244.99%	255.80%	331.35%	385.61%	305.38%
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%	56.31%

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

EXHIBIT L-2

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's contractually required contribution	$ 111,253	$ 102,924	$ 93,717	$ 98,482	$ 91,532	$ 77,904	$ 77,158	$ 76,661	$ 72,996	$ 74,274
Contributions in relation to the contractually required contribution	(111,253)	(102,924)	(93,717)	(98,482)	(91,532)	(77,904)	(77,158)	(76,661)	(72,996)	(74,274)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 794,028	$ 781,955	$ 653,993	$ 634,239	$ 525,453	$ 598,963	$ 589,045	$ 597,072	$ 581,363	$ 631,093
Contributions as a percentage of covered payroll	14.01%	13.16%	14.33%	15.53%	17.42%	13.01%	13.10%	12.84%	12.56%	11.77%

EXHIBIT L-3

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

	2024	2023	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with the School District	18,077,702	19,610,411	20,982,554	19,913,371	27,534,763	24,923,759	26,426,384	27,322,879	32,968,761	23,842,623	20,490,228
	$ 18,077,702	$ 19,610,411	$ 20,982,554	$ 19,913,371	$ 27,534,763	$ 24,923,759	$ 26,426,384	$ 27,322,879	$ 32,968,761	$ 23,842,623	$ 20,490,228
School District's covered payroll	$ 4,974,241	$ 5,053,083	$ 5,106,352	$ 4,838,041	$ 4,536,535	$ 4,564,055	$ 4,488,241	$ 4,438,531	$ 4,306,207	$ 4,429,511	$ 4,327,511
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	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%	33.64%

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

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

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

	2025	2024	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability								
Service Cost	$ 884,080	$ 870,651	$ 1,206,223	$ 1,468,218	$ 810,312	$ 731,187	$ 865,196	$ 1,046,507
Interest Cost	851,056	794,840	576,735	676,006	619,347	747,745	844,207	729,289
Difference between Expected & Actual Differences	243,797	(305,780)	311,396	(4,903,263)	5,911,760	(2,936,399)	(3,174,587)	-
Changes of Benefit Terms	-	-	-	(27,737)	-	-	-	-
Changes of Assumptions	1,934,231	45,489	(5,838,032)	25,709	5,358,603	255,421	(2,162,341)	(3,103,429)
Contributions: Member	22,255	20,369	18,327	17,282	15,480	15,588	17,414	19,580
Gross Benefit Payments	(649,965)	(619,591)	(571,273)	(532,503)	(510,708)	(525,864)	(503,858)	(531,735)
Net Change in District's Total OPEB Liability	3,285,454	805,978	(4,296,624)	(3,276,288)	12,204,794	(1,712,322)	(4,113,969)	(1,839,788)
District's Total OPEB Liability (Beginning)	22,568,649	21,762,671	26,059,295	29,335,583	17,130,789	18,843,111	22,957,080	24,796,868
District's Total OPEB Liability (Ending)	$ 25,854,103	$ 22,568,649	$ 21,762,671	$ 26,059,295	$ 29,335,583	$ 17,130,789	$ 18,843,111	$ 22,957,080
District's Covered Employee Payroll	$ 5,756,196	$ 5,707,076	$ 5,740,591	$ 4,957,125	$ 5,135,498	$ 5,153,100	$ 5,085,313	$ 5,019,894
District's Net OPEB Liability as a Percentage of Payroll	449%	395%	379%	526%	571%	332%	371%	457%

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

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

HAINESPORT TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.65% as of June 30, 2024, to 3.93% as of June 30, 2025.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	IDEA PART B BASIC	IDEA PART B PRESCHOOL	EVERY STUDENT SUCCEEDS ACT (ESSA) TITLE I PART A	TITLE II PART A	TITLE IV
Revenues:					
Federal Sources	$ 150,700	$ 9,517	$ 66,991	$ 11,322	$ 7,191
Total Revenues	$ 150,700	$ 9,517	$ 66,991	$ 11,322	$ 7,191
Expenditures:					
Instruction:					
Tuition	$ 150,700	$ -	$ -	$ -	$ -
Supplies	-	-	14,619	-	-
Total Instruction	150,700	-	14,619	-	-
Support Services:					
Educational Services	-	9,517	18,505	5,678	6,142
Other Purchased Services	-	-	25,883	5,644	1,049
Supplies	-	-	7,984	-	-
Total Support Services	-	9,517	52,372	11,322	7,191
Total Expenditures	$ 150,700	$ 9,517	$ 66,991	$ 11,322	$ 7,191

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	PRESCHOOL EXPANSION AID	NJSIG SAFETY GRANT	PBSIS GRANT	SCHOLARSHIPS	STUDENT ACTIVITIES	TOTAL
Revenues:						
State Sources	$ 694,838	$ -	$ -	$ -	$ -	$ 694,838
Federal Sources	-	-	-	-	-	245,721
Local Sources	122,856	2,000	496	10	19,319	144,681
Total Revenues	$ 817,694	$ 2,000	$ 496	$ 10	$ 19,319	$ 1,085,240
Expenditures:						
Instruction:						
Salaries of Teachers	$ 190,837	$ -	$ -	$ -	$ -	$ 190,837
Salaries of Aides	88,683					88,683
Purchased Professional Technical Services	20,839	-	-	-	-	20,839
Tuition	-	-	-	-	-	150,700
Supplies	5,352	-	-	-	-	19,971
Total Instruction	305,711	-	-	-	-	471,030
Support Services:						
Salaries	146,220	-		-	-	146,220
Employee Benefits	146,056	-	-	-	-	146,056
Purchased Professional Educational Services	16,245	-	-	-	-	56,087
Other Purchased Services	171,402	2,000	-	-	-	205,978
Other Objects	28,498	-	496	-	-	36,978
Scholarships Awarded	-	-	-	175	-	175
Student Activities	-	-	-	-	29,458	29,458
Total Support Services	508,421	2,000	496	175	29,458	620,952
Facilities Acquisition & Construction Services:						
Noninstructional Equipment	3,562	-	-	-	-	3,562
Total Facilities Acquisition & Construction Services	3,562	-	-	-	-	3,562
Total Expenditures	$ 817,694	$ 2,000	$ 496	$ 175	$ 29,458	$ 1,095,544
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(165)	(10,139)	(10,304)
Fund Balance, July 1	-	-	-	7,096	25,238	32,334
Fund Balance, June 30	$ -	$ -	$ -	$ 6,931	$ 15,099	$ 22,030

EXHIBIT E-2

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION EXPANSION AID
STATEMENT OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	$ 224,924	$ 190,837	$ 34,087
Other Salaries	89,466	88,683	783
Purchased Professional Services	20,839	20,839	-
Supplies	9,300	5,290	4,010
Miscellaneous	5,000	62	4,938
Total Instruction	349,529	305,711	43,818
Support Services:			
Director Salary	55,316	53,316	2,000
Teacher Salary	39,405	33,754	5,651
Clerical Salary	15,232	15,232	-
Other Salaries	52,293	43,918	8,375
Employee Benefits	146,056	146,056	-
Other Purchased Professional Services	17,501	17,501	-
Other Purchased Services	174,876	170,146	4,730
Supplies	30,000	28,498	1,502
Total Suport Services	530,679	508,421	22,258
Facilities Acquisition & Construction Services:			
Instructional Equipment	2,003	-	2,003
Non-Instructional Equipment	8,855	3,562	5,293
Total Facilities Acquisition & Construction Services	10,858	3,562	7,296
Total Expenditures	$ 891,066	$ 817,694	$ 73,372

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2024-2025 Preschool Education Aid Allocation	$ 568,209
Add: Actual Preschool Education Aid Carryover (June 30, 2024)	243,182
Add: Budgeted Transfer from the General Fund 2024-2025	122,856
Total Preschool Education Aid Funds Available for 2024-2025 Budget	934,247
Less: 2024-2025 Budgeted Preschool Education Aid (Prior Year Budget Carryover)	(891,066)
Available & Unbudgeted Preschool Education Aid Funds June 30, 2025	43,181
Add: June 30, 2025 Unexpended Preschool Education Aid	73,372
Total Actual Preschool Education Aid Carryover	$ 116,553
2024-2025 Preschool Education Aid Carryover Budgeted in 2025-2026	$ 83,182

F. Capital Projects Fund

Not Applicable

G. Proprietary Funds

Enterprise Funds

(See Exhibits B-4, B-5, B-6)

Internal Service Fund

Not Applicable

I. Long-Term Debt

EXHIBIT I-1

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

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JULY 1, 2024	ISSUED	RETIRED	BALANCE JUNE 30, 2025
Refunding School Bond Series 2019	12/17/19	$ 3,320,000	1/15/26	315,000	5.00%	$ 1,730,000	$ -	$ 335,000	$ 1,395,000
			1/15/27	290,000	5.00%				
			1/15/28	275,000	5.00%				
			1/15/29	265,000	5.00%				
			1/15/30	250,000	5.00%				
					Total	$ 1,730,000	$ -	$ 335,000	$ 1,395,000

EXHIBIT I-3

HAINESPORT TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	$ 416,712	$ -	$ 416,712	$ 416,712	$ -
State Sources:					
Debt Service Aid Type II	4,788	-	4,788	4,788	-
Total Revenues	421,500	-	421,500	421,500	-
Expenditures					
Regular Debt Service:					
Interest	86,500	-	86,500	86,500	-
Redemption of Principal	335,000	-	335,000	335,000	-
Total Expenditures	421,500	-	421,500	421,500	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	$ -	$ -	$ -	$ -	$ -

STATISTICAL SECTION (Unaudited)

Financial Trends Information

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

EXHIBIT J-1

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

	FISCAL YEAR ENDING JUNE 30,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Governmental Activities:										
Net Investment in Capital Assets	$ 5,526,342	$ 5,556,435	$ 5,610,966	$ 5,553,888	$ 5,692,405	$ 6,227,684	$ 5,928,136	$ 5,812,129	$ 5,771,422	$ 6,616,186
Restricted	1,997,027	2,865,323	2,759,091	3,221,810	3,446,308	2,547,800	1,833,665	1,602,684	1,439,774	933,253
Unrestricted	(1,335,298)	(1,368,983)	(1,349,054)	(1,762,590)	(2,120,590)	(2,627,248)	(2,263,760)	(2,310,272)	(2,455,747)	(2,211,097)
Total Governmental Activities Net Position	$ 6,188,071	$ 7,052,775	$ 7,021,003	$ 7,013,108	$ 7,018,123	$ 6,148,236	$ 5,498,041	$ 5,104,541	$ 4,755,449	$ 5,338,342
Business-Type Activities:										
Net Investment in Capital Assets	$ 52,505	$ 54,002	$ 51,251	$ 20,880	$ 22,093	$ 22,700	$ 4,144	$ 4,144	$ 4,144	$ 4,144
Unrestricted	13,579	4,864	50,237	104,459	9,170	44,629	77,065	62,162	30,146	21,295
Total Business-Type Activities Net Position	$ 66,084	$ 58,866	$ 101,488	$ 125,339	$ 31,263	$ 67,329	$ 81,209	$ 66,306	$ 34,290	$ 25,439
District-Wide:										
Net Investment in Capital Assets	$ 5,578,847	$ 5,610,437	$ 5,662,217	$ 5,574,768	$ 5,714,498	$ 6,250,384	$ 5,932,280	$ 5,816,273	$ 5,775,566	$ 6,620,330
Restricted	1,997,027	2,865,323	2,759,091	3,221,810	3,446,308	2,547,800	1,833,665	1,602,684	1,439,774	933,253
Unrestricted	(1,321,719)	(1,364,119)	(1,298,817)	(1,658,131)	(2,111,420)	(2,582,619)	(2,186,695)	(2,248,110)	(2,425,601)	(2,189,802)
Total District Net Position	$ 6,254,155	$ 7,111,641	$ 7,122,491	$ 7,138,447	$ 7,049,386	$ 6,215,565	$ 5,579,250	$ 5,170,847	$ 4,789,739	$ 5,363,781

EXHIBIT J-2

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

	FISCAL YEAR ENDING JUNE 30,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Expenses:										
Governmental Activities										
Instruction:										
Regular	$ 3,472,785	$ 3,297,284	$ 3,462,011	$ 3,240,503	$ 3,142,392	$ 3,054,614	$ 3,079,526	$ 2,980,043	$ 2,857,986	$ 2,943,711
Special Education	1,225,535	1,192,500	1,159,012	1,065,471	1,004,528	1,092,477	1,099,256	1,137,371	1,217,565	1,172,147
Other Instruction	308,662	232,000	176,389	193,351	120,141	124,993	188,129	174,878	91,307	160,167
Support Services:										
Tuition	559,674	95,990	319,583	326,805	370,099	393,131	252,968	348,837	283,851	297,399
Student & Instruction Related Services	2,421,060	1,991,646	1,617,491	1,596,663	1,323,035	1,109,553	1,150,199	1,064,010	1,000,082	1,009,453
General Administrative	594,148	600,415	568,378	601,447	519,545	490,804	488,576	531,146	516,250	448,435
Central Services	306,467	240,834	305,480	277,028	265,536	265,726	272,644	258,611	233,662	242,149
Plant Operations & Maintenance	1,055,752	867,479	1,026,243	843,363	680,699	739,791	756,707	750,928	740,755	650,118
Pupil Transportation	538,624	513,831	533,169	427,574	403,428	445,495	455,954	486,468	483,951	543,668
Unallocated Employee Benefits	2,720,301	2,254,033	2,161,223	2,944,914	2,987,007	1,976,358	2,398,793	1,554,700	3,633,489	3,156,437
On Behalf TPAF Pension and Social Security Contributions	300,998	837,692	926,417	795,045	2,041,633	1,799,002	1,869,368	3,670,066	-	-
Special Schools	24,768	6,359	9,664	10,682	11,660	18,576	20,885	26,348	26,980	21,657
Transfer to Charter Schools	13,431	13,193	-	-	-	-	-	-	-	-
Interest & Other Charges	73,169	90,595	114,247	123,587	146,933	119,721	218,703	237,516	267,751	310,499
Reduction In Compensated Absences	-	-	-	-	-	-	-	-	52,987	36,125
Unallocated Depreciation	634,495	630,014	631,047	628,687	575,859	628,519	654,060	626,925	1,288,942	212,783
Cancellation of Prior Years Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	14,249,869	12,863,865	13,010,354	13,075,120	13,592,495	12,258,760	12,905,768	13,847,847	12,695,558	11,204,748
Business-Type Activities:										
Food Service	311,159	301,952	283,335	239,082	138,027	163,963	199,717	197,776	194,930	205,561

EXHIBIT J-2

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

	FISCAL YEAR ENDING JUNE 30,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Total Business-Type Activities Expense	311,159	301,952	283,335	239,082	138,027	163,963	199,717	197,776	194,930	205,561
Total District Expenses	$ 14,561,028	$ 13,312,306	$ 13,293,689	$ 13,314,202	$ 13,730,522	$ 12,422,723	$ 13,105,485	$ 14,045,623	$ 12,890,488	$ 11,410,309
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	$ 2,236,736	$ 2,294,535	$ 2,373,062	$ 2,924,593	$ 3,994,977	$ 2,390,036	$ 2,930,243	$ 3,950,474	$ 2,386,047	$ 1,946,361
Total Governmental Activities Program Revenues	2,236,736	2,294,535	2,373,062	2,924,593	3,994,977	2,390,036	2,930,243	3,950,474	2,386,047	1,946,361
Charges for Services:										
Food Service	190,232	151,071	143,990	9,514	336	98,331	152,613	149,761	138,524	137,525
Operating Grants & Contributions	127,973	107,386	114,670	323,582	101,052	50,855	60,944	60,527	65,216	64,390
Total Business-Type Activities Program Revenues	318,205	258,457	258,660	333,096	101,388	149,186	213,557	210,288	203,740	201,915
Total District Program Revenues	$ 2,554,941	$ 2,552,992	$ 2,631,722	$ 3,257,689	$ 4,096,365	$ 2,539,222	$ 3,143,800	$ 4,160,762	$ 2,589,787	$ 2,148,276
Net/(Expense)/Revenue:										
Governmental Activities	$ (12,013,133)	$ (10,569,330)	$ (10,637,292)	$ (10,150,527)	$ (9,597,518)	$ (11,202,459)	$ (9,975,525)	$ (9,897,373)	$ (10,309,511)	$ (9,258,387)
Business-Type Activities	7,046	(43,495)	(24,675)	(94,014)	(36,639)	(14,777)	13,840	12,512	8,810	(3,646)
Total Government-Wide Net Expense	$ (12,006,087)	$ (10,612,825)	$ (10,661,967)	$ (10,244,541)	$ (9,634,157)	$ (11,217,236)	$ (9,961,685)	$ (9,884,861)	$ (10,300,701)	$ (9,262,033)

EXHIBIT J-2

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

	FISCAL YEAR ENDING JUNE 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes, Levied for General Purposes	$ 9,671,688	$ 9,151,073	$ 8,736,810	$ 8,565,500	$ 8,565,500	$ 8,397,549	$ 8,077,033	$ 7,860,580	$ 7,530,541	$ 7,256,722
Property Taxes Levied for Debt Service	416,712	459,223	510,222	454,998	578,126	704,060	747,858	790,862	592,643	760,687
Federal & State Aid Restricted	(28,599)	174,357	247,460	9,626	5,920	8,089	8,600	9,087	-	-
Federal & State Aid Not Restricted	938,557	754,962	980,723	1,023,530	1,143,603	1,301,521	1,409,296	1,465,062	1,516,233	1,521,131
Tuition Charges	-	-	41,444	45,962	17,777	43,504	52,852	18,976	34,562	75,895
Investment Earnings	-	-	-	-	-	-	-	-	200	-
Miscellaneous	150,071	61,487	128,528	45,896	77,873	64,197	73,386	27,850	42,555	43,215
Adjustment to Capital Assets	-	-	-	-	-	-	-	-	9,884	-
Cancellation of Prior Years Accounts Payable	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	11,148,429	10,601,102	10,645,187	10,145,512	10,388,799	10,518,920	10,369,025	10,172,417	9,726,618	9,657,650
Business-Type Activities:										
Miscellaneous	172	873	824	62	52	897	1,063	606	41	17
Total Business-Type Activities	172	873	824	62	52	897	1,063	606	41	17
Total District-Wide	$ 11,148,601	$ 10,601,975	$ 10,646,011	$ 10,145,574	$ 10,388,851	$ 10,519,817	$ 10,370,088	$ 10,173,023	$ 9,726,659	$ 9,657,667
Change in Net Position:										
Governmental Activities	$ (864,704)	$ 31,772	$ 7,895	$ (5,015)	$ 791,281	$ 650,195	$ 393,500	$ 275,044	$ (582,893)	$ 399,263
Business-Type Activities	7,218	(42,622)	(23,851)	94,076	(36,587)	(35,742)	14,903	13,118	8,851	(3,629)
Total District-Wide	$ (857,486)	$ (10,850)	$ (15,956)	$ 89,061	$ 754,694	$ 614,453	$ 408,403	$ 288,162	$ (574,042)	$ 395,634

EXHIBIT J-3

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

	FISCAL YEAR ENDING JUNE 30,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
General Fund:										
Restricted	$ 1,974,997	$ 2,832,989	$ 2,714,829	$ 3,196,743	$ 3,334,584	$ 2,525,175	$ 1,910,275	$ 1,687,797	$ 1,332,603	$ 1,044,622
Assigned To	26,845	143,991	156,560	26,289	14,659	70,391	59,846	35,481	34,617	5,949
Unassigned	272,276	201,784	338,112	329,285	280,663	164,930	176,433	185,525	163,014	157,469
Total General Fund	$ 2,274,118	$ 3,178,764	$ 3,209,501	$ 3,552,317	$ 3,629,906	$ 2,760,496	$ 2,146,554	$ 1,908,803	$ 1,530,234	$ 1,208,040
All Other Governmental Funds:										
Committed To	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assigned To	-	-	-	-	-	-	-	-	-	-
Restricted, Reported in:										
Special Revenue Fund	22,030	32,334	44,262	36,125	37,686	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-	-	-	178,128	353,128
Debt Service Fund	-	-	-	(11,058)	74,038	85,096	-	641	723	281
Total All Other Governmental Funds	$ 22,030	$ 32,334	$ 44,262	$ 25,067	$ 111,724	$ 85,096	$ -	$ 641	$ 178,851	$ 353,409

EXHIBIT J-4

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
Tax Levy	$ 10,088,400	$ 9,610,296	$ 9,247,032	$ 9,020,498	$ 9,143,626	$ 9,101,609	$ 8,824,891	$ 8,651,442	$ 8,123,184	$ 8,017,409
Tuition	-	-	41,444	45,962	17,777	43,504	52,852	18,976	34,562	75,895
Interest Earnings	480	480	240	240	240	240	200	-		-
Miscellaneous	294,272	158,028	161,693	67,389	82,035	71,176	81,040	42,517	42,755	43,215
State Sources	4,023,377	3,496,940	3,355,819	3,441,374	3,082,010	2,903,034	2,905,161	2,816,625	2,554,589	2,338,258
Federal Sources	245,721	534,519	949,855	565,982	446,566	277,087	281,638	280,107	227,429	230,612
Total Revenue	14,652,250	13,800,263	13,756,083	13,141,445	12,772,254	12,396,650	12,145,782	11,809,667	10,982,519	10,705,389
Expenditures:										
Current Expense:										
Regular Instruction	3,472,785	3,297,284	3,462,011	3,240,503	3,142,392	3,054,614	3,079,526	2,980,043	2,857,986	2,943,711
Special Education Instruction	1,225,535	1,192,500	1,159,012	1,065,471	1,004,528	1,092,477	1,099,256	1,137,371	1,217,565	1,172,147
Other Instruction	308,662	232,000	176,389	193,351	120,141	124,993	188,129	174,878	91,307	160,167
Support Services:										
Tuition	559,674	95,990	319,583	326,805	370,099	393,131	252,968	348,837	283,851	297,399
Student & Instruction Related Services	2,421,060	1,991,646	1,617,491	1,596,663	1,323,035	1,109,553	1,150,199	1,064,010	1,000,082	1,009,453
General Administrative Services	352,720	403,362	392,029	427,376	343,371	306,233	311,148	355,719	345,984	295,143
School Administrative Services	241,428	197,053	176,349	174,071	176,174	184,571	177,428	175,427	162,320	153,292
Central Services	306,467	240,834	305,480	277,028	265,536	265,726	272,644	258,611	233,662	242,149
Plant Operations & Maintenance	1,055,752	867,479	1,026,243	843,363	680,699	713,023	729,939	735,043	740,755	650,118
Pupil Transportation	538,624	513,831	533,169	427,574	403,428	445,495	455,954	486,468	483,951	543,668
Other Support Services	1,938,903	1,815,712	1,724,626	1,648,257	1,577,232	1,691,405	1,631,772	1,579,103	2,494,147	2,240,938
On Behalf TPAF Pension and Social Security Contributions	2,385,194	2,361,357	2,372,842	2,420,941	1,940,895	1,608,887	1,514,142	1,356,842	-	-
Special Schools	24,768	6,359	9,664	10,682	11,660	18,576	20,885	26,348	26,980	21,657
Transfer to Charter Schools	13,431	13,193	-	-	-	-	-	-	-	-
Capital Outlay	259,949	109,080	259,168	66,558	-	10,067	226,835	237,864	48,694	58,125
Debt Service:										
Principal	335,000	360,000	385,000	410,000	435,000	545,000	570,000	595,000	595,000	570,000
Interest & Other Charges	127,248	145,248	160,648	177,048	200,852	133,860	227,847	245,697	252,599	273,099
Total Expenditures	15,567,200	13,842,928	14,079,704	13,305,691	11,995,042	11,697,611	11,908,672	11,757,261	10,834,883	10,631,066

EXHIBIT J-4

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(914,950)	(42,665)	(323,621)	(164,246)	777,212	699,039	237,110	52,406	147,636	74,323
Other Financing Sources/(Uses):										
Cancellation of Prior Years Accounts Payable	-	-	-	-	-	-	-	-	-	-
Cancellation of Prior Years Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Lease Purchase Agreement	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	175,000	273
Transfers Out	-	-	-	-	-	-	-	-	(175,000)	(273)
Total Other Financing Sources/ (Uses)	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	$ (914,950)	$ (42,665)	$ (323,621)	$ (164,246)	$ 777,212	$ 699,039	$ 237,110	$ 52,406	$ 147,636	$ 74,323
Debt Service as a Percentage of Noncapital Expenditures	3.02%	3.68%	3.95%	4.43%	5.30%	6.83%	6.83%	7.30%	7.86%	7.97%

EXHIBIT J-5

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

FISCAL YEAR ENDED JUNE 30,	INTEREST ON INVESTMENTS	TUITION	PRIOR YEAR REFUNDS	RENTAL OF FACILITIES	MISCELLANEOUS	TOTAL
2025	$ 33,287	$ -	$ -	$ 9,796	$ 106,988	$ 150,071
2024	50,557	-	-	9,185	1,745	61,487
2023	28,653	400	-	9,185	90,690	128,928
2022	5,832	45,962	-	7,742	32,322	91,858
2021	6,757	17,777	25,744	3,294	42,078	95,650
2020	34,220	43,504	-	7,925	11,033	96,682
2019	36,320	52,852	-	11,156	25,710	126,038
2018	10,164	18,976	-	4,296	13,390	46,826
2017	3,140	34,562	-	4,244	25,383	67,329
2016	1,195	75,895	7,269	9,248	18,965	112,572

Source: District Records

Revenue Capacity Information

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

EXHIBIT J-6

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

YEAR ENDED DECEMBER 31,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2025	$ 12,076,100	$ 620,715,900	$ 11,375,900	$ 355,400	$ 100,852,400	$ 42,525,300	$ 1,326,000	$ 789,227,000	$ -	$ 789,227,000	$ 85,966,500	1.368	$ 1,209,312,269
2024	12,192,800	623,578,900	11,043,900	350,000	87,918,200	56,437,300	1,166,000	792,687,100	-	792,687,100	82,478,800	1.273	1,129,937,027
2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	81,427,600	1.231	981,445,583
2022	14,817,000	614,784,400	10,580,200	362,505	86,102,800	44,823,400	606,000	772,076,305	1,050,836	773,127,141	80,892,300	1.196	904,869,443
2021	14,866,300	613,923,500	10,236,400	372,605	86,208,600	44,823,400	606,000	771,036,805	1,147,212	772,184,017	51,362,500	1.169	885,577,062
2020	14,642,500	613,528,700	10,202,500	376,900	83,715,000	44,869,800	606,000	767,941,400	1,141,773	769,083,173	50,439,800	1.189	854,586,610
2019	14,910,600	613,779,200	10,202,500	366,200	83,084,700	44,869,800	606,000	767,819,000	1,232,395	769,051,395	49,121,600	1.184	845,779,885
2018	16,294,700	612,553,000	9,761,100	362,600	80,907,000	45,556,600	606,000	766,041,000	1,214,206	767,255,206	47,918,900	1.127	816,393,610
2017	17,416,700	606,105,200	8,740,600	346,600	81,110,600	46,460,900	606,000	760,786,600	1,268,178	762,054,778	47,501,300	1.084	797,836,073
2016	17,589,300	605,896,300	8,740,600	363,800	80,125,000	46,460,900	606,000	759,781,900	1,268,178	761,050,078	47,501,300	1.067	780,920,684

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

EXHIBIT J-7

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

YEAR ENDED DECEMBER 31,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	HAINESPORT TOWNSHIP	REGIONAL SCHOOL	BURLINGTON COUNTY	
2025	1.268	0.100	1.368	0.376	0.672	0.532	2.948
2024	1.173	0.100	1.273	0.376	0.513	0.503	2.665
2023	1.131	0.100	1.231	0.371	0.504	0.447	2.553
2022	1.096	0.100	1.196	0.368	0.501	0.440	2.505
2021	1.069	0.100	1.169	0.361	0.526	0.449	2.505
2020	1.089	0.100	1.189	0.354	0.498	0.439	2.480
2019	1.084	0.100	1.184	0.349	0.475	0.439	2.447
2018	1.026	0.103	1.129	0.355	0.445	0.431	2.360
2017	1.004	0.080	1.084	0.354	0.430	0.430	2.298
2016	0.927	0.140	1.067	0.316	0.412	0.455	2.250

Source: Municipal Tax Collector

EXHIBIT J-8

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

	2025		
TAXPAYER	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Crossroads Plaza Power LLC	$ 14,475,000	1	1.60%
CH DOF I I Phila Marne Highway, LLC	12,512,000	2	1.38%
South Hainesport Industrial Trust	12,320,300	3	1.36%
Berry Drive, LLC	8,772,800	4	0.97%
Creek Crossing II, LLC	7,746,500	5	0.86%
Mt Laurel RD Limited Partnership	6,295,300	6	0.70%
FRG-X-NJ1, LP	4,257,300	7	0.47%
Diamantis Children's Trust	4,135,900	8	0.46%
Hoppecke USA REM, LLC	3,279,100	9	0.36%
Hainesport Enterprises, Inc	3,096,400	10	0.34%
Total	$ 76,890,600		8.50%

	2016		
TAXPAYER	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Total	$ -		0.00%

EXHIBIT J-9

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2025	$ 10,088,400	$ 10,088,400	100.00%
2024	9,610,296	9,610,296	100.00%
2023	9,247,032	9,247,032	100.00%
2022	9,020,498	9,020,498	100.00%
2021	9,143,626	9,143,626	100.00%
2020	9,101,609	9,101,609	100.00%
2019	8,824,891	8,824,891	100.00%
2018	8,651,442	8,651,442	100.00%
2017	8,239,914	8,239,914	100.00%
2016	8,123,184	8,123,184	100.00%

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

Debt Capacity Information

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

EXHIBIT J-10

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES				
	GENERAL OBLIGATION BONDS	OTHER	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
2025	$ 1,395,000	$ -	$ 1,395,000	unavailable	N/A
2024	1,730,000	-	1,730,000	unavailable	282
2023	2,090,000	-	2,090,000	0.55%	345
2022	2,475,000	-	2,475,000	0.58%	409
2021	2,885,000	-	2,885,000	0.69%	480
2020	3,320,000	-	3,320,000	0.83%	556
2019	4,238,000	-	4,238,000	1.38%	709
2018	4,808,000	-	4,808,000	1.39%	802
2017	5,403,000	-	5,403,000	1.61%	897
2016	6,043,000	7,041	6,050,041	1.88%	1002

EXHIBIT J-11

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

FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF NET VALUATION TAXABLE	PER CAPITA
2025	$ 1,395,000	$ -	$ 1,395,000	0.18%	n/a
2024	1,730,000	-	1,730,000	0.22%	282
2023	2,090,000	-	2,090,000	0.27%	345
2022	2,475,000	-	2,475,000	0.27%	409
2021	2,885,000	-	2,885,000	0.33%	480
2020	3,320,000	-	3,320,000	0.39%	556
2019	4,238,000	-	4,238,000	0.55%	709
2018	4,808,000	-	4,808,000	0.63%	794
2017	5,403,000	-	5,403,000	0.71%	890
2016	6,043,000	-	6,043,000	0.79%	997

EXHIBIT J-12

HAINESPORT TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024

GOVERNMENTAL UNIT	NET DEBT (1)	TOWNSHIP PROPORTIONATE SHARE	NET DEBT ALLOCATED TO TOWNSHIP
Hainesport Township	$ -	100.00%	$ -
Burlington County (2)	173,076,920	1.70%	2,942,308
Rancocas Valley Regional High School (3)	24,420,000	17.89%	4,369,550
Hainesport Township School District	1,395,000	100.00%	1,395,000
Total Direct & Overlapping Debt			$ 8,706,858

(1) 2024 Annual Debt Statement
(2) County net debt is allocated as a proportion of the Township's share of the total 2025 Equalized Value, which is provided by the New Jersey Division of Taxation
(3) Regional high school net debt is allocated as a percentage of the Average Equalized Valuations of the municipalities within the regional high school district, which is provided by the Division of Local Government

EXHIBIT J-13

HAINESPORT TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

	YEAR ENDING DECEMBER 31,									
	2024	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Debt Limit	$ 32,887,708	$ 29,771,946	$ 27,465,629	$ 26,294,267	$ 25,772,813	$ 25,111,747	$ 24,668,677	$ 24,233,631	$ 23,827,099	$ 23,516,820
Total Net Debt Applicable to Limit	1,395,000	1,730,000	2,090,000	2,475,000	2,885,000	3,320,000	4,808,000	5,403,000	6,043,000	6,043,000
Legal Debt Margin	$ 31,492,708	$ 28,041,946	$ 25,375,629	$ 23,819,267	$ 22,887,813	$ 21,791,747	$ 19,860,677	$ 18,830,631	$ 17,784,099	$ 17,473,820
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.24%	5.81%	7.61%	9.41%	11.19%	13.22%	19.49%	22.30%	25.36%	25.70%

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized Valuation Basis
2024	$ 1,211,689,239
2023	1,109,082,196
2022	967,999,379
	$ 3,288,770,814
Average Equalized Valuation of Taxable Property	$ 1,096,256,938
Debt Limit (3 % of Average Equalization Value)	$ 32,887,708
Net Debt Applicable to Limit	1,395,000
Legal Debt Margin	$ 31,492,708

SOURCE: Annual Debt Statement

Demographic and Economic Information

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

EXHIBIT J-14

HAINESPORT TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

YEAR	POPULATION [a]	PERSONAL INCOME (THOUSANDS OF DOLLARS)[b]	BURLINGTON COUNTY PER CAPITA INCOME[c]	UNEMPLOYMENT RATE[d]
2024	6,128	unavailable	unavailable	3.5%
2023	6,057	452,360,988	74,684	3.2%
2022	6,055	426,562,640	70,448	3.0%
2021	6,014	417,948,944	69,496	5.2%
2020	5,967	400,707,918	67,154	5.8%
2019	5,981	307,410,488	63,528	3.8%
2018	5,997	344,735,216	61,140	3.9%
2017	6,022	335,371,709	59,271	4.0%
2016	6,039	322,289,457	57,583	5.2%
2015	6,034	312,389,824	55,925	6.4%

Source: NJ Dept of Labor and Workforce Development

[a] NJ Dept of Labor & Workforce Development

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

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

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

EXHIBIT J-15

HAINESPORT TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

NOT AVAILABLE

Source**:** Burlington County Economic Development

Operating Information

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

EXHIBIT J-16

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

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction:										
Regular	36	37	36	36	37	37	39	39	39	39
Special Education	19	15	20	19	19	19	20	20	20	18
Other Special Education	2	2	1	1	1	1	1	1	1	2
Support Services:										
Student & Instruction Related Services	21	23	20	23	24	26	23	23	22	21
School Administrative Services	6	7	8	6	6	5	5	5	5	5
Business Administrative Services	3	3	2	3	3	3	3	3	3	3
Plant Operations & Maintenance	4	4	2	3	3	3	3	3	3	3
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
Total	91	91	89	91	93	94	94	94	93	91

Source: District Personnel Records

EXHIBIT J-17

HAINESPORT TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	JUNE 30, ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2025	539	$ 14,845,003	$ 27,542	11.41%	57	8.92:1	539.0	507.0	2.55%	94.06%
2024	532	13,228,600	24,866	0.59%	54	9.85:1	550.4	510.5	3.26%	92.75%
2023	537	13,274,888	24,720	9.22%	65	8.26:1	530.7	494.4	-1.29%	93.16%
2022	559	12,652,085	22,633	5.80%	67	8.34:1	551.1	511.4	-5.70%	92.80%
2021	531	11,359,190	21,392	9.99%	66	8.18:1	540.0	518.1	-0.79%	95.94%
2020	566	11,008,684	19,450	2.58%	65	8.71:1	567.3	549.4	-7.08%	96.84%
2019	574	10,883,990	18,962	11.33%	65	8.83:1	577.9	553.8	1.36%	95.83%
2018	627	10,678,700	17,031	5.19%	60	10.45:1	624.0	596.0	-2.00%	95.51%
2017	627	10,151,729	16,191	2.31%	60	10.46:1	626.0	588.0	-5.84%	93.93%
2016	628	9,938,590	15,826	#REF!	59	11.80:1	639.0	600.0	-2.09%	93.90%

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).

EXHIBIT J-18

HAINESPORT TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

DISTRICT BUILDINGS	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Elementary Schools:										
Hainesport Elementary (1925):										
Square Feet	97,782	97,782	97,782	97,782	97,782	97,782	97,782	97,782	97,782	97,782
Capacity (Students)	636	636	636	636	636	636	636	636	636	636
Enrollment	539	532	537	559	531	566	574	627	628	637

Number of Schools at June 30, 2024:
Elementary = 1

Source: District Facilities Office

EXHIBIT J-19

HAINESPORT TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

SCHOOL FACILITIES	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Hainesport Elementary	$ 32,136	$ 63,510	$ 168,567	$ 56,712	$ 32,545	$ 55,098	$ 52,497	$ 53,326	$ 72,169	$ 53,384

* 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

EXHIBIT J-20

HAINESPORT TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
June 30, 2025

	COVERAGE	SELF-INSURED RETENTION	DEDUCTIBLE
School Package Policy - Utica National Insurance Company:			
Building & Contents (All Locations)			
Limits of Liability per Occurrence	$ 28,379,073	$ -	$ 1,000
General Liability	3,000,000	-	-
Flood	1,015,000	-	25,000
Automobile Liability	1,000,000	-	1,000
Crime Coverage	100,000	-	-
Inland Marine	30,892	-	250
Umbrella Liability	10,000,000	10,000	-
New Jersey School Boards Association:			
Workers' Compensation	3,000,000	-	-
The Maskin Group:			
Student Accident	1,000,000	-	-
New Jersey School Boards Association:			
Surety Bonds:			
Treasurer	200,000	-	-
Board Secretary	300,000	-	-

Source: District records.

SINGLE AUDIT SECTION

HMA
HOLT MCNALLY & ASSOCIATES

EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, business-type activities, and each major fund of the Hainesport Township School District (the "School District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 21, 2025.

Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

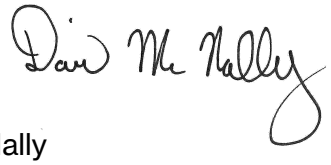
As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

Purpose of this Report

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

Respectfully Submitted,

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



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

Medford, New Jersey
October 21, 2025

HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

EXHIBIT K-2

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

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Hainesport Township School District's (the "School District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2025. The School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major State Program

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

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

provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

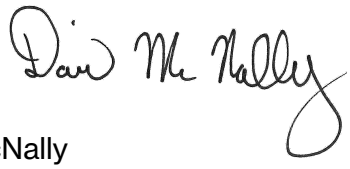
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors



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

Medford, New Jersey
October 21, 2025

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2024	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	BALANCE, JUNE 30, 2025 (ACCOUNTS RECEIVABLE)	BALANCE, JUNE 30, 2025 DUE TO GRANTOR	BALANCE, JUNE 30, 2025 UNEARNED REVENUE
U.S. Department of Agriculture													
Passed Through New Jersey Department of Agriculture:													
Child Nutrition Cluster:													
School Breakfast Program	10.553	251NJ304N1099	100-010-3350-028	10,932	7/1/24-6/30/25	-	10,164	(10,932)			(768)		-
National School Lunch Program	10.555	251NJ304N1099	100-010-3350-026	75,243	7/1/24-6/30/25	-	69,744	(75,243)	-	-	(5,499)	-	-
National School Lunch Program	10.555	241NJ304N1099	100-010-3350-026	59,892	7/1/23-6/30/24	(3,773)	3,773	-	-	-	-	-	-
Healthy Hunger-Free Kids Act	10.555	251NJ304N1099	100-010-3350-026	3,673	7/1/24-6/30/25	-	3,393	(3,673)	-	-	(280)	-	-
Healthy Hunger-Free Kids Act	10.555	241NJ304N1099	100-010-3350-026	3,160	7/1/23-6/30/24	(226)	226	-	-	-	-	-	-
Supply Chain Assistance Program	10.555	231NJ304N1099	100-010-3350-118	39,022	10/1/22-9/30/24	10,395	-	(9,537)	-		-	-	858
Food Distribution Program (Noncash Assistance)	10.555	251NJ304N1099	Unavailable	23,802	7/1/24-6/30/25	-	23,802	(21,089)	-	-	-	-	2,713
Food Distribution Program (Noncash Assistance)	10.555	241NJ304N1099	Unavailable	19,978	7/1/23-6/30/24	2,346	-	(2,346)	-	-	-	-	-
						8,742	111,102	(122,820)	-	-	(6,547)	-	3,571
Total Child Nutrition Cluster						8,742	111,102	(122,820)	-	-	(6,547)	-	3,571
Summer Electronic Benefit Transfer Program For Children	10.646	251NJ304S9009	100-010-3350-129	322	7/1/24-6/30/25	-	322	(322)	-	-	-	-	-
Subtotal						-	322	(322)	-	-	-	-	-
Total U.S. Department of Agriculture						8,742	111,424	(123,142)	-	-	(6,547)	-	3,571
U.S. Department of Education													
Passed Through New Jersey Department of Education:													
I.D.E.A. Part B (Special Education Cluster)													
Basic	84.027A	H027A240100	100-034-5065-016	150,700	7/1/24-9/30/25	-	149,262	(150,700)	-	-	(1,438)	-	-
						-	149,262	(150,700)	-	-	(1,438)	-	-
Preschool	84.173	H173A240114	100-034-5065-020	9,517	7/1/24-9/30/25	-	9,518	(9,517)	-	-	-	-	1
Preschool	84.173	H173A230114	100-034-5065-020	9,681	7/1/23-9/30/24	(3,777)	3,777	-	-	-	-	-	-
						(3,777)	13,295	(9,517)	-	-	-	-	1
Total Special Education Cluster						(3,777)	162,557	(160,217)	-	-	(1,438)	-	1
Title I - Part A	84.010	S010A240030	100-034-5064-194	73,635	7/1/24-9/30/25	-	53,156	(66,991)	-	-	(13,835)	-	-
Title I - Part A	84.010	S010A230030	100-034-5064-194	88,125	7/1/23-9/30/24	(31,363)	31,363	-	-	-	-	-	-
						(31,363)	84,519	(66,991)	-	-	(13,835)	-	-
Title III, English Language Acquisition	84.365	S365A240030	100-034-5063-290	853	7/1/24-6/30/25		853	-			-		853
						-	853	-	-	-	-	-	853
Title II - Part A, Supporting Effective Instruction	84.367A	S367A240029	100-034-5063-290	11,322	7/1/24-6/30/25	-	11,322	(11,322)	-	-	-	-	-
						-	11,322	(11,322)	-	-	-	-	-
Title IV - Student Support and Academic Enrichment	84.424A	S424A240031	100-034-5063-348	10,000	7/1/24-9/30/25	-	7,191	(7,191)	-	-	-	-	-
						-	7,191	(7,191)	-	-	-	-	-
Education Stabilization Fund													
COVID-19 Coronavirus Response & Relief Suppl. Appr. Act:													
CRRSA-ESSER II	84.425D	S425D210027	100-034-5120-518	302,319	3/13/20-9/30/23	(3,335)	-	-	-	3,335	-	-	-
CR Learning Acceleration	84.425D	S425D210027	100-034-5120-518	25,000	3/13/20-9/30/23	(184)	-	-	-	184	-	-	-
CR Mental Health	84.425D	S425D210027	100-034-5120-518	45,000	3/13/20-9/30/23	(401)	-	-	-	401	-	-	-
						(3,920)	-	-	-	3,920	-	-	-
COVID-19 American Rescue Plan:													
ARP- ESSER III	84.425U	S425U210027	100-034-5120-523	679,443	3/13/20-9/30/24	(24,013)	24,012	-	-	1	-	-	-
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	100-034-5120-523	50,000	3/13/20-9/30/24	(495)	495	-	-	-	-	-	-
						(24,508)	24,507	-	-	1	-	-	-
Total Educational Stabilization Fund						(28,428)	24,507	-	-	3,921	-	-	-
Total U.S. Department of Education						(63,568)	290,949	(245,721)	-	3,921	(15,273)	-	854
Total Expenditures of Federal Awards						$ (54,826)	$ 402,373	$ (368,863)	$ -	$ 3,921	$ (21,820)	$ -	$ 4,425

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

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2024	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2025 ACCOUNTS RECEIVABLE	BALANCE, JUNE 30, 2025 UNEARNED REVENUE	BALANCE, JUNE 30, 2025 DUE TO GRANTOR	MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:												
General Fund:												
State Aid Public:												
Equalization Aid	495-034-5120-078	$ 91,090	7/1/24-6/30/25	$ -	$ 91,090	$ (91,090)	$ -	$ -	$ -	$ -	$ 5,307	$ 91,090
Security Aid	495-034-5120-084	62,448	7/1/24-6/30/25	-	62,448	(62,448)	-	-	-	-	3,638	62,448
Special Education Categorical Aid	495-034-5120-089	489,983	7/1/24-6/30/25	-	489,983	(489,983)	-	-	-	-	28,546	489,983
Total State Aid Public				-	643,521	(643,521)	-	-	-	-	37,491	643,521
Transportation Aid	495-034-5120-014	137,699	7/1/24-6/30/25	-	137,699	(137,699)	-	-	-	-	8,022	137,699
Additional Nonpublic School Transportation Aid	495-034-5120-014	21,519	7/1/24-6/30/25	-	-	(21,519)	-	(21,519)	-	-	-	21,519
Additional Nonpublic School Transportation Aid	495-034-5120-014	26,845	7/1/23-6/30/24	(26,845)	26,845	-	-	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	106,270	7/1/24-6/30/25	-	-	(106,270)	-	(106,270)	-	-	-	106,270
Extraordinary Aid	495-034-5120-044	14,153	7/1/23-6/30/24	(14,153)	14,153	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	366,186	7/1/24-6/30/25	-	348,562	(366,186)	-	(17,624)	-	-	-	366,186
Reimbursed TPAF Social Security Contributions	495-034-5094-003	355,210	7/1/23-6/30/24	(17,537)	17,537	-	-	-	-	-	-	-
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5094-001	456,380	7/1/24-6/30/25	-	456,380	(456,380)	-	-	-	-	-	456,380
TPAF Pension Contributions (Noncash Assistance)	495-034-5094-002	1,561,871	7/1/24-6/30/25	-	1,561,871	(1,561,871)	-	-	-	-	-	1,561,871
TPAF Pension - Long Term Disability Insurance (Noncash Assistance)	495-034-5094-004	757	7/1/24-6/30/25	-	757	(757)	-	-	-	-	-	757
Total General Fund				(58,535)	3,207,325	(3,294,203)	-	(145,413)	-	-	45,513	3,294,203
Special Revenue Fund:												
Preschool Education Aid	495-034-5120-086	568,209	7/1/24-6/30/25	-	568,209	(451,656)	-	-	116,553	-	56,821	451,656
Preschool Education Aid	495-034-5120-086	580,560	7/1/23-6/30/24	243,182	-	(243,182)	-	-	-	-	-	243,182
Total Special Revenue Fund				243,182	568,209	(694,838)	-	-	116,553	-	56,821	694,838
Debt Service Fund:												
School Construction Debt Service Aid	495-034-5120-017	4,788	7/1/24-6/30/25	-	4,788	(4,788)	-	-	-	-	-	4,788
Total Debt Service Fund				-	4,788	(4,788)	-	-	-	-	-	4,788
New Jersey Department of Agriculture:												
Enterprise Fund:												
National School Lunch Program	495-010-3350-001	2,594	7/1/24-6/30/25	-	2,397	(2,594)	-	(197)	-	-	-	2,594
National School Lunch Program	495-010-3350-001	2,486	7/1/23-6/30/24	(176)	176	-	-	-	-	-	-	-
National School Lunch Program - Reduced	495-010-3350-002	402	7/1/24-6/30/25	-	364	(402)	-	(38)	-	-	-	402
National School Lunch Program - Reduced	495-010-3350-002	706	7/1/23-6/30/24	(48)	48	-	-	-	-	-	-	-
State Reduced Breakfast Program	495-010-3350-002	50	7/1/24-6/30/25	-	46	(50)	-	(4)	-	-	-	50
Working Class Families State Supplement	495-010-3350-006	1,464	7/1/24-6/30/25	-	1,296	(1,464)	-	(168)	-	-	-	1,464
Summer Electronic Benefit Transfer Program for Children	100-010-3370-003	322	7/1/24-6/30/25	-	321	(321)	-	-	-	-	-	321
Total Enterprise Fund				(224)	4,648	(4,831)	-	(407)	-	-	-	4,831
Total State Financial Assistance				$ 184,423	$ 3,784,970	$ (3,998,660)	$ -	$ (145,820)	$ 116,553	$ -	$ 102,334	$ 3,998,660
State Financial Assistance Programs not subject to Calculation for Major Program Determination:												
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5094-001	456,380	7/1/24-6/30/25			456,380						
TPAF Pension Contributions (Noncash Assistance)	495-034-5094-002	1,561,871	7/1/24-6/30/25			1,561,871						
TPAF Pension - Long Term Disability Insurance (Noncash Assistance)	495-034-5094-004	757	7/1/24-6/30/25			757						
Total State Financial Assistance subject to Calculation for Major Program Determination						$ (1,979,652)						

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

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

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

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

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $29,548 for the general fund and $0 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

Fund	Federal	State	Total
General Fund	$ -	$ 3,323,751	$ 3,323,751
Special Revenue Fund	245,721	694,838	940,559
Debt Service Fund	-	4,788	4,788
Food Service Fund	123,142	4,831	127,973
Total Awards & Financial Assistance	$ 368,863	$ 4,028,208	$ 4,397,071

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

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

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

EXHIBIT K-6

HAINESPORT TOWNSHIP 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 weakness(es) identified?	____ yes __X__ no
2) Significant deficiency(ies) identified?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal control over major programs:	
1) Material weakness(es) identified?	____ yes ____ no
2) Significant deficiency(ies) identified?	____ yes ____ none reported
Type of auditor's report issued on compliance for major programs	Not Applicable
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	____ yes ____ no

Identification of major programs:

ALN Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
Not Applicable		

Dollar threshold used to determine Type A programs	
Auditee qualified as low-risk auditee?	____ yes ____ no

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

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

State Financial Assistance

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

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
495-034-5120-086	Preschool Education Expansion Aid

EXHIBIT K-6

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section II – Financial Statement Findings

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

None.

EXHIBIT K-6

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

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

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE

None.

EXHIBIT K-7

HAINESPORT TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

Financial Statement Findings

None.

Federal Awards

None.

State Financial Assistance

None.