

Annual Comprehensive Financial Report

of the

Hamilton Township School District

County of Mercer

Hamilton, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

**Hamilton Township, Board of Education
Finance Department**

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INTRODUCTORY SECTION



HAMILTON TOWNSHIP SCHOOL DISTRICT

OFFICE OF THE SUPERINTENDENT OF SCHOOLS

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Scott R. Rocco, Ed. D.
Superintendent

November 20, 2025

Honorable President and Members of the Board of Education
Hamilton Township School District
County of Mercer, New Jersey

Dear Board Members:

We are submitting the Annual Comprehensive Financial Report (ACFR) of the Hamilton Township School District for the fiscal year ended June 30, 2025. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the district. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

This Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this letter of transmittal, the District's organizational chart and a list of principal officials. The financial section includes Management's Discussion & Analysis, the basic financial statements, required supplemental information and other supplemental information, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis. The single audit section includes the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Hamilton Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and the government-wide financial statements of the District are included in this report. The Hamilton Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular and special education for handicapped students. The District sends its vocational students to county vocational schools, which are more suited to provide that type of educational program. The District completed the 2024-25 fiscal year with an average daily enrollment of 12,128. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2024-25	12,128.2	+0.37%
2023-24	12,083.0	+2.36%
2022-23	11,804.2	+2.25%
2021-22	11,544.6	+1.61%
2020-21	11,361.3	-1.63%
2019-20	11,549.7	+1.10%
2018-19	11,424.4	+0.05%
2017-18	11,419.1	-1.55%
2016-17	11,598.6	-0.64%
2015-16	11,673.1	-1.97%

2) MAJOR INITIATIVES:

DISTRICT

The District completed HVAC upgrades and boiler replacements at Crockett Middle School and at McGalliard, University Heights, and Wilson Elementary Schools. Classroom renovations and rising wall repairs were also completed at Crockett Middle Schools and kitchen upgrades was completed at Mercerville Elementary School. Sidewalk repairs and paving was completed districtwide. Implemented new cybersecurity and device management platforms, purchased new promethean boards to enhance classroom instruction across the district, and upgraded equipment in several school cafeterias. Through the efforts of the Department of Student Services and Programs, the district recouped \$2,046,530 in Extraordinary Aid.

The following educational initiatives took place during the **2024-2025 School Year:**

English Language Arts

- Continued implementation of Reading A-Z Program – Grades K-5
- Continued implementation of Newsela, Noodle Tools, and Turnitin (Grades 6-12)
- Continued implementation of iReady Reading – Grades 1-5

- Additional Novels
- Revised Curriculum (where applicable)
- Expansion of leveled libraries
- Implementation of iReady Teacher Toolbox
- Library Enhancements

English as a Second Language

- Professional Development (particularly focusing on Sheltered English Instruction - SEI)
- Translation Services
- ESL Tutoring
- Teacher Leadership

Mathematics

- Revised Curriculum (where applicable)
- Professional Development (where applicable)
- Continued implementation of iReady Math – Grades 1-5
- Year 1 Implementation of *Envisions* (K-5)
- Online Platforms (K-12)
- Additional Math Manipulatives for Small Group Instruction
- New Textbooks- *Reveal* Math (Algebra I, Geometry, Algebra II)
- 1st in Math Program (K-5)
- ALEKS Math Program (9-12)
- MyPath Math Program (6-8)
- Accounting Textbooks
- New Business Textbooks

World Language

- Continuation of Seal of Biliteracy (9-12)
- Online Spanish Program (K-5)
- Spanish Assemblies (K-5)
- Online curricular resources
- Revised Curriculum (where applicable)
- Professional Development (where applicable)
- World Language Novels

Science/Applied Tech

- Revised Curriculum (where applicable)
- Professional Development (where applicable)
- Continuation of *Mystery Science* (K-5)
- Continued science/applied tech equipment enhancements (6-12)
- Drone Club (6-8)
- New Open Sci Ed Science Program (6-8)
- 3D printers
- AP Biology Textbooks

Social Studies

- Professional Development (where applicable)
- Grade 3 Tour of Hamilton
- Mock Trials
- New AP Psychology Textbooks

Fine & Performing Arts

- Revised Curriculum (where applicable)
- Professional Development (where applicable)
- Continued implementation of Smart Music Program
- Continued implementation of Quaver Music Program
- Continued implementation of FLEX Art Curriculum
- Continued instrument and art equipment rotation (6-12)
- Theatre Trips (Gr. 9-12)

Health/Physical Education

- Continuation of CPR/AED Certification
- Professional Development (where applicable)
- Driver's Education Program – instructor brakes
- Online Health Resources

Assessment

- Continuation of PSAT 9, 10, 11
- Continued payment of students taking AP exam
- Continuation of CogAT – Grade 2

Technology

- Additional devices (K-12)

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

As a recipient of federal and state financial assistance, 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 evaluation by the district management.

As part of the district's single audit described earlier, tests are made to determine the adequacy of the internal controls 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.

4) BUDGETARY CONTROLS: In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. 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 which are accounted for in the capital projects fund. The original and final budget for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2025.

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

6) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the district continues to meet its responsibility for sound financial management.

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

	Revenue	Percentage of Total	(Decrease)/ Increase From 2024	Percentage Decrease/ Increase
Local Sources	\$ 137,799,449	40.62%	\$ 5,374,189	3.90%
Intermediate Sources	\$ 353,140	0.10%	\$ (146,860)	-41.59%
State Sources	191,601,002	56.48%	25,032,581	13.06%
Federal Sources	9,479,413	2.79%	(2,382,294)	-25.13%
Total	\$ 339,233,004	100.00%	\$ 27,877,616	

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

	Expenditure	Percentage of Total	(Decrease)/ Increase From 2023	Percentage Decrease/ Increase
Current Expenditures:				
Instruction	\$ 97,885,068	29.57%	\$ 7,775,435	7.94%
Support Services & Undistributed Costs	198,278,838	59.91%	13,059,496	6.59%
Special Revenue:				
Instruction	5,473,711	1.65%	(2,881,678)	-52.65%
Support Services & Undistributed Costs	4,248,970	1.28%	(1,100,270)	-25.89%
Debt Service:				
Principal	5,065,000	1.53%	85,000	1.68%
Interest	1,584,400	0.48%	(136,888)	-8.64%
Capital Outlay	18,441,592	5.57%	5,791,183	31.40%
Total	<u>\$ 330,977,579</u>	<u>100.00%</u>	<u>\$ 22,592,278</u>	

7) **DEBT ADMINISTRATION:** On June 30, 2025, the District reported outstanding principal debt of \$46,715,000 of general obligation bonds.

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

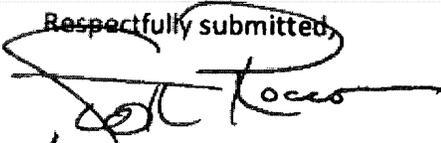
9) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability, cyber insurance, and comprehensive/collision hazard and theft insurance on property, contents and fidelity bonds.

10) **OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board of Education selected the accounting firm of Suplee, Clooney & Company. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report 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.

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

Respectfully submitted,



Dr. Scott Rocco
Superintendent of Schools



Katherine Attwood
School Business Administrator

**HAMILTON TOWNSHIP BOARD OF EDUCATION
HAMILTON, NEW JERSEY
MERCER COUNTY**

**ROSTER OF OFFICIALS
June 30, 2025**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Dina Thornton, President	2025
Christina V. Harvey, Vice President	2026
Stacy Byrne	2025
Dr. Susan Ferrara	2027
Richard Kanka	2027
Stephanie Lyons-Williams	2027
Dr. Jason McSheene	2025
Denise Soto	2026
Meaghan Stanton	2026

Other Officials

Dr. Scott Rocco, Superintendent

Katherine Attwood, Business Administrator/Board Secretary

HAMILTON TOWNSHIP SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

AUDIT FIRM

John Swisher, CPA, RMA, PSA
Suplee, Clooney & Company
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ARCHITECT

Scott Downie, AIA, LEEDap
Spiezle Architectural Group
1395 Yardville Hamilton Square Road
Suite 2A
Hamilton, New Jersey 08691

OFFICIAL DEPOSITORY

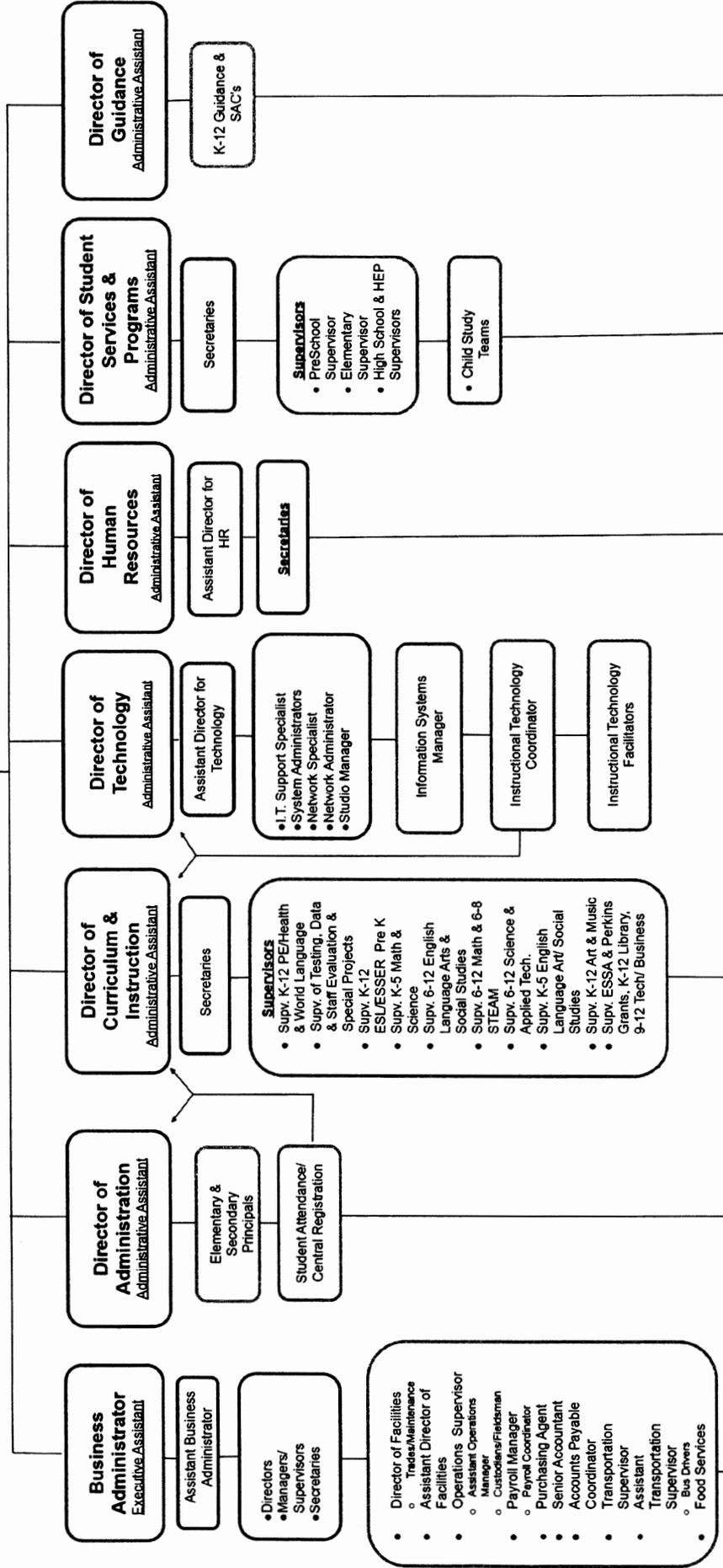
TD Bank
Mount Laurel, New Jersey



HAMILTON TOWNSHIP SCHOOL DISTRICT ORGANIZATIONAL CHART 2025

Board of Education

Superintendent of Schools
Executive Assistant | Coordinator of Grants | Coordinator of School Safety



FACULTY & STAFF

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FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hamilton School District
County of Mercer
Hamilton, New Jersey 08690

Report on the Audit of the Financial Statements

Opinions

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

In 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 District as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the "Uniform Guidance") the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards and provisions 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, the Uniform Guidance, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

SUPLEE, CLOONEY & COMPANY LLC

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 in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibits M-1 and M-2 are 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 District's basic financial statements. The accompanying supplementary information schedules and data such as the combining statements and individual fund financial statements, and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the schedule 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.

SUPLEE, CLOONEY & COMPANY LLC

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 20, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the 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 District's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 2389

November 20, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

HAMILTON TOWNSHIP SCHOOL DISTRICT
Hamilton, New Jersey
Mercer County

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
June 30, 2025

UNAUDITED

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2025. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. In fiscal year 2025 the District implemented GASB Statement No. 101-Compensated Absences.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2024-2025 fiscal year include the following:

In the District-Wide statements, net position of governmental activities increased \$28,496,522. This is due to increased investment in capital assets and increases in capital and other restricted reserve balances.

The Board realized a decrease in net position in the District's business-type activities in the amount of \$112,763 resulting in total net position of \$3,455,425 for the fiscal year ended June 30, 2025.

Governmental funds reported a total fund balance of \$44,852,295, which is a 38.80% increase from last year's total governmental fund balance. This increase was the result of increases in capital and other restricted reserve balances and lower ROD grant funded awarded project costs. The general or operating fund balance was reported at \$36,026,522 of which \$8,411,782 was appropriated toward the 2025-26 budget. Total expenditures for all governmental funds were \$330,977,579. Total revenues were \$339,233,004 resulting in an excess of revenues over expenditures of \$12,538,577 for the year. Revenues and Other Financing Sources increased \$30,318,585 as a result of increased state aid and entering into two installment purchase contracts for technology and equipment. Included in revenues are \$184,852,274 in state and federal aid and \$132,527,208 in local taxes.

The district invested the bond proceeds and approved the interest earned to offset future debt payments on the issued bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the district:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the district operated like businesses, such as food services.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Organization of the School District Annual Financial Report

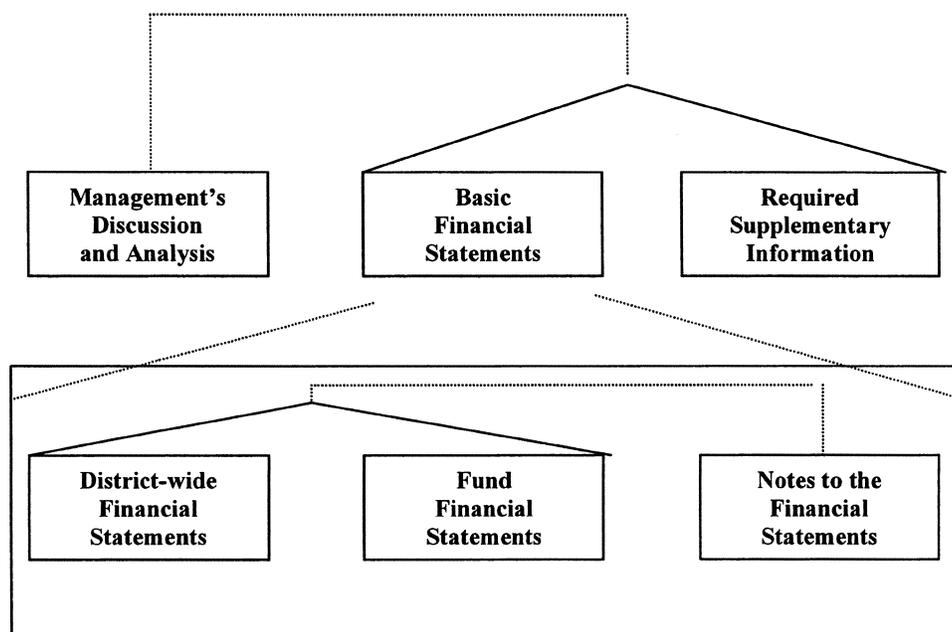


Figure A-2 summarizes the major features of the district’s financial statements, including the portion of the district’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and the contents of each of the statements.

Figure A-2
Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services, summer camp and internal services
Required financial Statements	<ul style="list-style-type: none"> •Statement of net assets •Statement of activities 	<ul style="list-style-type: none"> •Balance Sheet •Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> •Statement of net assets •Statement of cash flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues/expenses during the year, regardless of when cash is received or paid

District-wide Statements

The district-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the district's net assets and how they have changed. Net position - the difference between the district's assets and liabilities - is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

In the district-wide financial statements, the district's activities are divided into two categories:

- **Governmental activities:** Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- **Business-type activities:** The district charges fees to help it cover the costs of certain services it provides. The district's food services, summer camp and internal service activities are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The district establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as federal grants).

Fund Financial Statements (continued)

The district has two kinds of funds:

- **Governmental funds:** Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Proprietary funds:** Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net position, including Net Investment in Capital Assets was \$83,438,893 at June 30, 2025. This amount included an unrestricted deficit amount of \$40,181,462. This large deficit is the result of the accrual of the District's share of the Net Pension Liability required by GASB 68 and GASB 75 which reduced the unrestricted portion of Net Position by \$40,628,927. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those assets for day-to-day operations. Our analysis below focuses on the net position (Figure A-3) and change in net position (Figure A-4) of the school district's governmental activities.

**Figure A-3
Net Position**

	2025			2024		
	Governmental Activities	Business Activities	Total	Governmental Activities (As Restated)	Business Activities (As Restated)	Total
ASSETS						
Current & Other Assets	\$56,526,480	\$2,938,773	\$59,465,253	\$42,697,949	\$3,306,012	\$46,003,961
Capital Assets	148,835,006	1,731,085	150,566,091	138,858,063	1,700,304	140,558,367
TOTAL ASSETS	205,361,486	4,669,857	210,031,343	181,556,012	5,006,315	186,562,327
DEFERRED OUTFLOWS OF RESOURCES:						
Loss on Refunding of Long Term Debt				28,803		28,803
Premium on Refunding of Long Term Debt				2,075		2,075
Pension Related	6,197,166		6,197,166	5,873,178		5,873,178
TOTAL DEFERRED OUTFLOWS	6,197,166		6,197,166	5,904,056		5,904,056
LIABILITIES						
Long-Term Liabilities	103,488,558		103,488,558	107,048,532		107,048,532
Other Liabilities	21,960,368	1,214,432	23,174,800	22,600,003	1,438,127	24,038,130
TOTAL LIABILITIES	125,448,926	1,214,432	126,663,358	129,648,535	1,438,127	131,086,663
DEFERRED INFLOWS OF RESOURCES:						
Pension Related	2,670,834		2,670,834	2,869,162		2,869,162
TOTAL DEFERRED INFLOWS	2,670,834		2,670,834	2,869,162		2,869,162
NET POSITION						
Net investment in capital assets	91,362,681	1,731,085	93,093,766	85,057,643	1,700,304	86,757,947
Restricted	32,257,674		32,257,674	10,972,347		10,972,347
Unrestricted:						
Pension related (deficit)	(40,628,927)		(40,628,927)	(43,289,074)		(43,289,074)
Other	447,464	1,724,340	2,171,804	2,201,455	1,867,884	4,069,339
TOTAL NET POSITION	\$83,438,892	\$3,455,425	\$86,894,317	\$54,942,371	\$3,568,188	\$58,510,559

The unrestricted net position of governmental activities is broken into two elements. The deficit of \$40,628,927 represents the effect of the required accrual of the District's share of the Net Pension Liability, the remainder of \$447,464 represents the accumulated results of all past years' operations.

The results of this year's operations for the school district activities as a whole are reported in the Statement of Activities. Figure A-4, below, takes the information from that Statement and rearranges them slightly so you can see our total revenues and expenses for the year.

**Figure A-4
Changes in Net Position**

	2025			2024		
	Governmental Activities	Business Activities	Total	Governmental Activities (As Restated)	Business Activities (As Restated)	Total
Revenues:						
Program Revenues:						
Operating Grants & Contributions	\$35,795,624	\$4,749,727	\$40,545,351	\$41,435,748	\$3,844,606	\$45,280,354
Charges for Services	1,025,690	1,012,300	2,037,991	1,021,484	1,143,879	2,165,363
General Revenues						
Property Taxes	132,527,208		132,527,208	128,331,444		128,331,444
Grants (includes State Aid) and Entitlements	136,670,341		136,670,341	114,458,696		114,458,696
Other Revenues	3,490,273	2,010	3,492,283	2,144,767		2,144,767
Disposal of Capital Assets						
	309,509,137	5,764,037	315,273,175	287,392,139	4,988,485	292,380,624
Expenses:						
Instruction	163,073,077		163,073,077	156,501,410		156,501,410
Support Services & Undistributed Costs	111,664,802		111,664,802	104,748,398		104,748,398
Interest on Long-Term Debt	1,555,891		1,555,891	1,894,918		1,894,918
Unallocated Depreciation	4,718,844		4,718,844	2,279,442		2,279,442
Business-Type		5,876,800	5,876,800		4,895,642	4,895,642
Total Expenses	281,012,615	5,876,800	286,889,415	265,424,168	4,895,642	270,319,810
Change in Net Position	28,496,522	(112,763)	28,383,759	21,967,971	92,843	22,060,814
Net Position July 1,	54,942,372	3,568,188	58,510,560	32,974,401	3,475,345	36,449,746
Net Position June 30,	83,438,893	3,455,425	86,894,319	54,942,372	3,568,188	58,510,560

As reported in the Statement of Activities, expenditures for governmental activities this year totaled \$281,012,615. These costs were financed by \$132,527,208 in local property school taxes, \$35,795,624 in operating grants and federal and state aid, \$1,025,690 in charges for services, \$136,670,341 in Grants and Entitlements and \$3,490,273 in miscellaneous income.

In Figure A-5, below, we have presented the cost of each of the school district's four largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

Figure A-5

	Total Cost of Services <u>2025</u>	Total Cost of Services <u>2024</u>	Net Cost of Services <u>2025</u>	Net Cost of Services <u>2024</u>
Instruction	163,073,077	\$156,501,410	\$143,462,793	\$129,495,916
Support Services & Undistributed Costs	111,664,802	104,748,398	94,731,811	89,602,815
Interest on Long-Term Debt	1,555,891	1,894,918	1,277,852	1,588,763
Business-Type	5,876,800	5,148,865	114,773	160,380
Total Expenses	<u>\$286,889,415</u>	<u>\$268,293,591</u>	<u>\$244,306,073</u>	<u>\$220,847,874</u>

Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus.

Actual revenues reflect a positive variance of \$54.446 million. This is due primarily to two factors:

1. The State reimbursement in the amount of \$7.651 million for social security contributions and \$42.659 million on behalf contributions for TPAF pension and post-retirement medical. This is always a non-budgeted item that the State requires to be included in the final audit.
2. Excess of \$1.246 million in Extraordinary Aid over budgeted amount.

Actual expenditures reflect a negative variance of \$28.529 million. This again is primarily due to the State requirement to include behalf of TPAF pension and post-retirement medical benefits contributions in the audit. The amount of the FY2025 budget lapsed to unassigned Fund Balance totaled \$16.169 million or 5.93% of the final budget of \$272,677,831.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, in the governmental funds, the school district had \$148,835,006 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, construction in progress, vehicles, furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$9,976,943 or 7.18% from fiscal year 2024. In addition, the school district had \$1,731,084 invested in business-type capital assets related to food service operations. These assets increased \$30,781 or 1.81% from fiscal year 2024.

Figure A-6

Net Investment in Capital Assets Governmental Activities		
	2025	2024 (As Restated)
Land	\$1,248,202	\$1,248,202
Construction in Progress	56,517,207	48,365,244
Buildings & Improvements	69,855,968	64,186,214
Furniture, Equipment & Vehicles	21,213,629	25,058,403
	\$148,835,006	\$138,858,063
Net Investment in Capital Assets Business-Type Activities		
	2025	2024 (As Restated)
Construction in Progress	\$276,787	\$276,787
Furniture, Equipment & Vehicles	1,454,296	1,423,516
	\$1,731,084	\$1,700,303

This year's net additions are reported at \$17,624,798. for governmental assets and \$147,340 for Business Type assets. Depreciation totaled \$7,647,855 for governmental activity and \$116,560 for business-type activity.

Long-Term Debt

At the end of this year, the school district has \$108,706,496 outstanding, as detailed below, versus \$115,206,959 last year – a net decrease of 5.64%. The decrease is the result of repayment of existing debt as well as a decrease in the Net Pension Liability of \$2.9 million. This change is due to changes in the actuarial assumptions used to calculate the liability. The long-term debt consisted of the following:

Governmental Funds:

	Balance June 30, <u>2025</u>	Balance June 30, <u>2024</u>
Bonds Payable	\$46,715,000	\$51,780,000
Unamortized Bond Premium		2,075
Compensated Absences	3,876,722	3,136,092
Installment Purchase Contracts	18,329,671	17,321,799
Leases	370,993	393,149
SBITAs	47,846	263,016
Net Pension Liability	39,366,264	42,310,828
	<u>\$108,706,496</u>	<u>\$115,206,959</u>

The school district's general obligation bond rating continues to be AA. The state limits the amount of general obligation debt that cities can issue to 4.0% of the average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding general obligation debt of \$46,715,000 is significantly below the statutorily-imposed limit.

FACTORS AFFECTING THE DISTRICT'S FUTURE

- Although the Hamilton Township School District continues to be highly efficient and financially stable, the overall status of the world and state economy could have an impact on the district's future budgets.
- The Hamilton Township School District will conduct its election in November. There is no vote required on the school budget if the election is held in November and the property tax levy does not increase by more than 2%.
- State Aid allocations have been volatile in Hamilton over the past five years. This makes the budgeting process difficult because the information comes late in the budgeting process and cannot be depended upon. We are hopeful this situation will stabilize and aid will continue to increase.
- Health benefit reforms have assisted in containing the health costs. However, these costs will continue to increase and be a major expense for this district.
- Salary increases continue to grow incrementally and will be a major expense for the foreseeable future.
- The district continues to commit significant resources in order to improve the district's buildings, infrastructure and education program. We are hopeful this will translate in a measurable increase in student performance.
- Salaries, benefits, student transportation, energy costs and private tuition continue to comprise nearly 90 percent of the entire budget.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact the Business Administrator, at Hamilton Township Board of Education, 90 Park Avenue, Hamilton, New Jersey 08690.

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BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2025

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

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

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$24,399,437	\$2,310,459	\$26,709,896
Receivables, net	8,587,986	492,367	9,080,353
Inventory		135,946	135,946
Interfunds	819,928		819,928
Restricted assets:			
Cash and cash equivalents	22,323,985		22,323,985
Intangible Assets, Net of Amortization	46,183		46,183
Right to Use Leased Assets, Net of Amortization	348,961		348,961
Capital assets:			
Land and Construction in progress	57,765,409	276,787	58,042,196
Other Capital Assets net of depreciation	91,069,597	1,454,298	92,523,895
Total Assets	205,361,486	4,669,857	210,031,343
DEFERRED OUTFLOWS OF RESOURCES:			
Related to pensions	6,197,166		6,197,166
Total Deferred Outflow of Resources	6,197,166		6,197,166
LIABILITIES:			
Accounts payable	11,995,929	11,303	12,007,232
Interfunds payable		819,928	819,928
Payroll deductions payable	51,802		51,802
State unemployment insurance payable	745,870		745,870
Payable to state government	129,130		129,130
Payable to federal government	145		145
Unearned revenue	140,160	236,588	376,748
Accrued Interest Payable	674,393		674,393
Accrued Liability for Insurance Claims	3,005,000	146,613	3,151,613
Noncurrent liabilities:			
Due within one year:			
Bonds, leases installment purchases Compensated Absences and SBITAs payable	5,512,569		5,512,569
Due beyond one year:			
Net Pension Liability	39,366,264		39,366,264
Compensated absences payable	3,582,091		3,582,091
Bonds, leases installment purchases and SBITAs payable	60,245,572		60,245,572
Total liabilities	125,448,926	1,214,432	126,663,358
DEFERRED INFLOWS OF RESOURCES:			
Related to pensions	2,670,834		2,670,834
Total Deferred Inflow of Resources	2,670,834		2,670,834
NET POSITION:			
Net investment in capital assets	91,362,681	1,731,085	93,093,765
Restricted for:			
Capital projects	19,446,228		19,446,228
Debt service fund	378,576		378,576
Other purposes	12,432,870		12,432,870
Unrestricted (deficit)	(40,181,462)	1,724,340	(38,457,122)
Total net position	\$83,438,893	\$3,455,425	\$86,894,318

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

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2025

Functions/Programs	Expenses	Indirect Cost Allocation	Programs Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
Instruction:						
Regular	\$ 47,612,588	\$ 43,351,017	\$	\$ 8,996,106	\$ (81,967,499)	\$ (81,967,499)
Special	24,168,915	35,496,350		9,386,993	(50,278,272)	(50,278,272)
Other instruction	6,483,082	5,961,125		1,227,186	(11,217,022)	(11,217,022)
Support services:						
Tuition	18,382,473	(18,382,473)				
Student and instruction related services	25,731,142	14,834,042	1,025,690	7,437,733	(32,101,761)	(32,101,761)
General administrative services	2,012,790	253,282		37,253	(2,228,819)	(2,228,819)
School administrative services	10,550,053	7,537,012		1,578,577	(16,508,488)	(16,508,488)
Central service/Admin information technology	4,747,533	1,171,016		395,460	(5,523,089)	(5,523,089)
Plant operations and maintenance	19,373,932	5,455,214		1,163,455	(23,665,691)	(23,665,691)
Pupil transportation	19,741,460	257,326		5,294,823	(14,703,963)	(14,703,963)
Unallocated benefits	93,004,901	(93,004,901)				
Interest on Long-Term Debt	1,555,891			278,039	(1,277,852)	(1,277,852)
Unallocated depreciation	7,647,855	(2,929,011)			(4,718,844)	(4,718,844)
Total governmental activities	281,012,615		1,025,690	35,795,624	(244,191,301)	(244,191,301)
Business-type activities:						
Food Service	5,779,390		850,697	4,749,727	(178,967)	(178,967)
Summer Camp	97,410		161,604		64,194	64,194
Total business-type activities	5,876,800		1,012,300	4,749,727	(114,773)	(114,773)
Total primary government	\$ 286,889,415		\$ 2,037,991	\$ 40,545,351	\$ (244,191,301)	\$ (244,306,073)
General Revenues:						
Taxes:						
Property taxes, levied for general purposes, net					\$ 127,372,170	\$ 127,372,170
Taxes levied for debt service					5,155,038	5,155,038
Federal and state aid not restricted					129,337,097	129,337,097
Federal and state aid restricted					7,333,244	7,333,244
Miscellaneous income					3,490,273	3,492,283
Total general revenues and special items					272,687,823	272,689,833
Change in Net Position					28,496,522	(112,763)
Net Position - beginning (as restated)					54,942,372	58,510,560
Net Position ending					\$ 83,438,893	\$ 86,894,319

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

MAJOR FUND FINANCIAL STATEMENTS

The Individual Fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash and cash equivalents	\$ 15,068,953	\$ 2,626,705	\$ 5,819,940	\$ 883,840	\$ 24,399,437
Receivables from other governments	2,676,680	1,574,710	3,972,713		8,224,103
Other receivables	363,883				363,883
Interfund Accounts Receivable	4,526,217	62,079			4,588,297
Restricted cash and cash equivalents	22,323,985				22,323,985
Total assets	\$ 44,959,718	\$ 4,263,495	\$ 9,792,653	\$ 883,840	\$ 59,899,705
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	4,977,561	954,889.46	1,274,484		7,206,935
Payroll deductions payable	51,802				51,802
State unemployment insurance payable	745,870				745,870
Payable to state government		129,130			129,130
Payable to federal government		145			145
Interfund payables	145,763	2,193,795	945,823	482,989	3,768,369
Unearned revenue	7,200	132,960			140,160
Other Liabilities	3,005,000				3,005,000
Total liabilities	8,933,196	3,410,919	2,220,307	482,989	15,047,411
Fund balances:					
Restricted:					
Capital reserve account	19,446,228				19,446,228
Maintenance reserve account	2,877,757				2,877,757
Emergency reserve account					
Reserved Excess Surplus designated for subsequent years expenditures	3,411,782				3,411,782
Excess surplus - current year	2,595,377				2,595,377
State unemployment insurance	2,695,378				2,695,378
Student activities		694,113			694,113
Scholarships		158,463			158,463
Capital Projects			1,337,096		1,337,096
Debt Service				378,576	378,576
Committed for:					
For Encumbrances			6,235,250		6,235,250
Assigned:					
Designated for Subsequent Year's Expenditures	5,000,000			22,275	5,022,275
Total fund balances	36,026,522	852,576	7,572,346	400,851	44,852,295
Total liabilities and fund balances	\$ 44,959,718	\$ 4,263,495	\$ 9,792,653	\$ 883,840	\$ 59,899,705

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

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

Total Fund Balances (Brought Forward)		\$	44,852,295
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.			
Cost of Assets	\$	259,399,758	
Accumulated Depreciation		<u>(110,564,752)</u>	148,835,006
Intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds.			
			46,183
Right to Use assets used in governmental activities are not financial resources and therefore are not reported in the funds.			
			348,961
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.			
Net Pension Liability		(39,366,264)	
Compensated Absences		(3,582,091)	
Bonds Payable		(46,715,000)	
Deferred Amount on Gain on Refunding Bonds			
Leases		(370,994)	
Subscription Based Information Technology Agreements		(47,845)	
Installment purchase contracts		<u>(18,329,671)</u>	(108,411,866)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.			
Pensions:			
Deferred Outflows			
Pension related		6,197,166	
Loss on Refunding Bonds			
Premium on Refunding Bonds			
			<u>6,197,166</u>
Deferred Inflows:			
Pension related		<u>(2,670,834)</u>	(2,670,834)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.			
Accounts Payable - Pension Related		(4,788,995)	
Accrued Interest Payable		<u>(674,393)</u>	<u>(5,463,388)</u>
Net Position of Governmental Activities		\$	<u><u>83,733,523</u></u>

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

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local tax levy	\$ 127,372,170			\$ 5,155,038	\$ 132,527,208
Tuition from Individuals	133,800				133,800
Tuition from Other LEAs Within the State	206,809				206,809
Transportation Fees From Individuals	33,388				33,388
Transportation Fees From Other LEAs	107,260				107,260
Interest Earned on Capital Reserve	616,520				616,520
Interest Earned on Maintenance Reserve	37,460				37,460
Interest on Investments			8,245		8,245
Restricted miscellaneous revenue	92,330				92,330
Unrestricted miscellaneous revenue	2,930,607	1,105,823			4,036,430
Total - local sources	131,530,344	1,105,823	8,245	5,155,038	137,799,449
Intermediate Sources:					
PILOT Payments to School District	353,140				353,140
Total Intermediate Sources	353,140				353,140
State sources					
	184,663,407	2,038,847	3,740,253	1,158,495	191,601,002
Federal sources					
	188,867	9,290,546			9,479,413
Total revenues	316,735,758	12,435,216	3,748,498	6,313,533	339,233,004
EXPENDITURES:					
Current expense:					
Regular instruction	64,167,791				64,167,791
Special instruction	25,196,221	5,473,711			30,669,932
Other Instruction	8,521,056				8,521,056
Support services:					
Tuition	18,382,473				18,382,473
Student & instruction related services	26,774,343	4,248,970			31,023,313
General administrative services	4,788,946				4,788,946
School administrative services	10,416,784				10,416,784
Central service/Admin information technology	4,975,356				4,975,356
Plant operations and maintenance	20,882,154				20,882,154
Pupil transportation	19,794,512				19,794,512
Unallocated benefits	92,264,270				92,264,270
Debt Service:					
Principal				5,065,000	5,065,000
Interest				1,584,400	1,584,400
Capital outlay	5,043,845	2,697,030	10,700,717		18,441,592
Total expenditures	301,207,751	12,419,711	10,700,717	6,649,400	330,977,579
Excess (deficiency) of revenues over (under) expenditures	15,528,007	15,505	(6,952,219)	(335,867)	8,255,425
Other financing sources (uses):					
Transfers In/out	4,504,434		(4,883,009)	378,576	
Installment purchase contracts (non-budgeted)	148,152		4,135,000		4,283,152
Total other financing sources/(uses)	4,652,586		(748,009)	378,576	4,283,152
Net change in fund balances	20,180,593	15,505	(7,700,229)	42,709	12,538,577
Fund balances, July 1, 2024	\$ 15,845,929	\$ 837,071	\$ 15,272,575	\$ 358,142	\$ 32,313,718
Fund balances, June 30, 2025	\$ 36,026,522	\$ 852,576	\$ 7,572,346	\$ 400,851	\$ 44,852,295

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

HAMILTON 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 change in fund balances - governmental funds (from B-2)	\$	12,538,577
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>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.</p>		
Depreciation expense		(7,647,855)
Capital outlays	\$ 18,441,592	
Less: Right to Use Assets	(148,152)	
Less: Capital Outlays not capitalized	<u>(668,642)</u>	
		17,624,798
<p>Capital outlays related to leases 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 amortization expense. This is the amount by which capital outlays exceeded amortization in the period.</p>		
Implementation Expenses		
Amortization Expense:		
Leases	(196,931)	
Subscription Based Information Technology Agreements	<u>(212,699)</u>	
		(409,630)
<p>Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.</p>		
Installation purchase proceeds - Current Year		(4,135,000)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
Payment of Bonds		5,065,000
Payment of lease payable		170,308
Payment of Subscription Based Information Technology Agreements		215,170
Payment of installment purchase contracts payable		3,127,128
<p>In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.</p>		
		57,312
<p>Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
		(28,803)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
District pension contributions	\$ 3,942,461	
Add: Pension expense	<u>(1,282,314)</u>	
		2,660,147
<p>In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-). When the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		<u>(740,630)</u>
Change in net position of governmental activities (A-2)	\$	<u><u>28,496,522</u></u>

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

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OTHER FUNDS

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	FOOD SERVICE FUND	SUMMER CAMP	INTERNAL SERVICE FUND
			WORKERS' COMPENSATION FUND
		TOTAL	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$1,068,843	\$275,075	\$966,542
Accounts receivable			
State	15,829		15,829
Federal	249,420		249,420
Other	227,119		227,119
Inventories	135,946		135,946
Total current assets	1,697,156	275,075	1,972,231
Noncurrent assets:			
Furniture, machinery and equipment	2,480,673		2,480,673
Less accumulated depreciation	(749,588)		(749,588)
Total noncurrent assets	1,731,085		1,731,085
Total assets	3,428,241	275,075	966,542
LIABILITIES:			
Current liabilities:			
Interfund payable			819,928
Accounts payable	8,527	2,777	
Unearned revenue	70,983	165,605	
Accrued liability for insurance claims			146,613
Total liabilities	79,510	168,381	966,542
NET POSITION:			
Net investment in capital assets	1,731,085		1,731,085
Unrestricted	1,617,647	106,694	1,724,340
Total net position	\$3,348,731	\$106,694	\$3,455,425

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

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

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>FOOD SERVICE FUND</u>	<u>SUMMER CAMP</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Charges for services:			
Daily sales - reimbursable programs	\$590,937		\$590,937
Daily sales - non-reimbursable programs	215,247		215,247
Fees		161,604	161,604
Other income	44,513		44,513
Total operating revenues	<u>850,697</u>	<u>161,604</u>	<u>1,012,300</u>
OPERATING EXPENSES:			
Salaries	1,779,151	86,947	1,866,098
Employee benefits	597,910		597,910
Management and consultant fees	294,311		294,311
Other Purchased Services	31,141		31,141
Supplies and materials	54,795	9,250	64,045
Equipment	6,889		6,889
Depreciation	116,560		116,560
Miscellaneous	39,509	1,213	40,722
Cost of sales - reimbursable	2,696,604		2,696,604
Cost of sales - non-reimbursable	162,520		162,520
Total operating expenses	<u>5,779,390</u>	<u>97,410</u>	<u>5,876,800</u>
Operating income (loss)	<u>(4,928,694)</u>	<u>64,194</u>	<u>(4,864,500)</u>
NONOPERATING REVENUES (EXPENSES):			
State sources			
State school lunch program	104,318		104,318
State school breakfast program	8,280		8,280
NJEIE school lunch program	89,004		89,004
NJEIE school breakfast program	19,300		19,300
After the bell	29,470		29,470
Federal sources:			
National school lunch program	3,225,736		3,225,736
National School Lunch Program- HHFKA	88,259		88,259
National school breakfast program	673,152		673,152
Fresh Fruit and Vegetable	35,550		35,550
P-EBT Administrative Cost	5,904		5,904
Local Food for Schools Cooperative	18,516		18,516
Food Distribution Program	402,451		402,451
Interest & Investment Revenue	49,787		49,787
Miscellaneous-prior year payables canceled	2,010		2,010
Total Nonoperating Revenues/(Expenses)	<u>4,751,737</u>		<u>4,751,737</u>
Excess (deficiency) of revenues over (under) expenditures	(176,957)	64,194	(112,763)
Net change in net position	(176,957)	64,194	(112,763)
Total net position - beginning (as restated)	<u>3,525,688</u>	<u>42,500</u>	<u>3,568,188</u>
Total net position - ending	<u>\$3,348,731</u>	<u>\$106,694</u>	<u>\$3,455,425</u>

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND WORKERS COMPENSATION FUND
	FOOD SERVICE FUND	SUMMER CAMP		
Cash flows from operating activities:				
Receipts from customers, net	\$923,833	\$178,025	\$1,101,858	
Payments for employees and benefits	(2,377,062)	(86,764)	(2,463,826)	
Payments to vendors	(3,230,086)	(8,059)	(3,238,145)	
Cash Payments for Employee Benefits - Net				\$1,975
Net cash provided by (used for) operating activities	(4,683,315)	83,202	(4,600,113)	1,975
Cash flows from noncapital financing activities:				
Federal and State sources	148,894		148,894	
Transfers to other funds	4,246,739		4,246,739	(10,618)
Net cash provided by noncapital financing activities	4,395,633		4,395,633	(10,618)
Cash flows from capital and related financing activities:				
Acquisition of Capital Assets	(147,340)		(147,340)	
Net cash provided by (used for) capital and related financing activities	(147,340)		(147,340)	
Cash Flows From Investing Activities:				
Interest on Deposits	49,787		49,787	
Net Cash Provided/(Used) by Investing Activities	49,787		49,787	
Net increase (decrease) in cash and cash equivalents	(385,235)	83,202	(302,033)	(8,642)
Cash and cash equivalents, July 1, 2024	1,454,077	191,873	1,645,950	975,184
Cash and cash equivalents, June 30, 2025	\$1,068,843	\$275,075	\$1,343,917	\$966,542
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)		\$64,194		
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation				
Federal commodities	116,560		116,560	
(Increase) decrease in inventories	402,451		402,451	
(Increase) decrease in other accounts receivable	(113,276)		(113,276)	
Increase (decrease) in accounts payable	71,695		71,695	
Increase (decrease) in unearned revenue	(246,767)	2,587	(244,180)	
Increase (decrease) in claims payable	14,716	16,421	31,137	
Total Adjustments	245,379	19,008	264,387	
Net cash provided by (used for) operating activities	(41,856)	\$83,202	(\$4,600,113)	\$1,975

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

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Hamilton School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

Reporting Entity

The Township of Hamilton School District is a Type II District located in Mercer County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Hamilton School District, comprised of nine elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39), as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government
2. The primary government, or its component unit, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, middle schools and high schools, located in the Township of Hamilton. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

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

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District.. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds.. Separate statements are presented for each fund category- governmental, and proprietary. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

Governmental Funds

General Fund The general fund is the general operating fund of the District and is used to account for all expendable 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 Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. Generally Accepted Accounting Principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, 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 the current expense by Board resolution; in certain instances approval by the County Superintendent of Schools may also be required.

Special Revenue Fund The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

Capital Projects Funds 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 financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Proprietary Funds

Enterprise Fund The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service and Summer Camp Program operations. This fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Internal Service Fund This internal service fund is used in order to account for any run-off claims related to the District's Workers' Compensation self-insurance program which was discontinued June 30, 2005.

Basis of Accounting-Measurement Focus

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

District-wide and Proprietary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting-Measurement Focus (Continued)

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transactions can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term debt and acquisitions under installment purchase contracts are reported as other financing sources.

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 for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April 2013 school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. 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. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution. Budget amendments during the year ended June 30, 2025 totaled \$432,600.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described 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 recognized 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 records.

Encumbrance Accounting

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditures 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 unearned revenues at fiscal year end.

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

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

Capital Assets

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The District has implemented GASB 72 The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

	<u>Estimated Life</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	10
Instructional Equipment	10
Grounds Equipment	15

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The District accounts for compensated absences (e.g., unused sick and vacation leave) in accordance with Governmental Accounting Standards Board (GASB) Statement No. 101, "Compensated Absences." This statement was implemented for the fiscal year ended June 30, 2025, replacing the guidance previously provided by GASB Statement No. 16.

GASB 101 requires that a liability be recognized for leave that has been earned in exchange for services rendered and that has not yet been used, if (1) the leave is usable for time off or other compensation, and (2) it is more likely than not that the leave will be used or paid. This standard expands the recognition criteria to include certain types of leave that may not have previously met the vesting or accumulation requirements under GASB 16.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and/or collective bargaining unit contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The compensated absences liability is calculated based on leave balances that are expected to be used or paid, consistent with the "more likely than not" threshold established under GASB 101. The District's calculation incorporates both the probability of leave usage and payout eligibility under existing employment agreements.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

Fund Equity

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unearned Revenue

Unearned revenue in the special revenue and proprietary funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is an allowable practice under generally accepted accounting principles.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long term debt is recognized as a liability on the fund financial statements when due.

Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. 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. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Fund Balance Restrictions

GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" modifies fund balance reporting and clarifies fund type definitions. This Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Under the standard, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The District reports Inventory as Nonspendable Fund Balance

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Maintenance Reserve, State Unemployment Insurance, Student Activities and Excess Surplus as Restricted Fund Balance.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Restrictions (Continued)

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District’s highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District’s policy, amounts may be assigned by the Business Administrator. The District reports Encumbrances and Designated for Subsequent Years Expenditures as Assigned Fund Balance.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Revenues Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means within sixty days of the fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues Exchange and Non-exchange Transactions (Continued)

Revenue from property taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Accounting and Financial Reporting for Pensions

In the District-Wide Financial Statements 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and 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.

In the Governmental Fund Financial Statements the year end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one items that qualify for reporting in this category, deferred amounts from items that are pension related.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

Subscription-Based Information Technology Arrangements (SBITAs)

GASB Statement No. 96 defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding liability; provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITAs.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), 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 the deposits to the governmental unit

The Township of Hamilton School District had the following cash and cash equivalents at June 30, 2025:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 56,249,574
Proprietary Funds	1,449,981
Total Cash in Bank	\$ <u>57,699,554</u>
Less: Reconciling Items	<u>(8,665,673)</u>
Reconciled Balance	\$ <u><u>49,033,881</u></u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2025, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$57,699,554, \$500,000 was covered by Federal Depository Insurance; \$57,196,214 was covered under the provisions of NJGUDPA and \$3,340 was held by Fiscal Agents.

Investments

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 3: CAPITAL ASSETS

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

	Beginning Balance <u>(As Restated)</u>	<u>Additions</u>	Deletions & <u>Transfers</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$1,248,202			\$1,248,202
Construction in Progress	48,365,244	\$10,558,600	(\$2,406,636)	56,517,207
Total Capital Assets not being depreciated	<u>49,613,446</u>	<u>10,558,600</u>	<u>(2,406,636)</u>	<u>57,765,409</u>
Buildings & Building Improvements	152,765,144	5,383,773	2,406,636	160,555,553
Machinery & Equipment	39,396,370	1,682,426		41,078,796
Totals at historical cost	<u>192,161,514</u>	<u>7,066,199</u>	<u>2,406,636</u>	<u>201,634,349</u>
Gross Assets (Memo only)	<u>241,774,960</u>	<u>17,624,798</u>		<u>259,399,758</u>
Less: Accumulated Depreciation				
Buildings & Building Improvements	(88,578,930)	(2,120,655)		(90,699,585)
Machinery & Equipment	(14,337,967)	(5,527,200)		(19,865,167)
Total Depreciation	<u>(102,916,897)</u>	<u>(7,647,855)</u>		<u>(110,564,752)</u>
Total capital assets being depreciated, net of depreciation	<u>89,244,617</u>	<u>(581,656)</u>	<u>\$2,406,636</u>	<u>91,069,597</u>
Total Governmental Activities (net)	<u>\$138,858,063</u>	<u>\$9,976,943</u>		<u>\$148,835,006</u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 3: CAPITAL ASSETS (CONTINUED)

	Beginning Balance <u>(As Restated)</u>	<u>Additions</u>	Deletions & <u>Transfers</u>	Ending Balance
Business-Type Activities:				
Capital assets not being depreciated:				
Construction in Progress	\$276,787.00	_____	_____	\$276,787.00
Total Capital Assets not being depreciated	<u>276,787.00</u>	_____	_____	<u>276,787.00</u>
Machinery & Equipment	\$2,056,545	\$147,340	_____	\$2,203,885
Totals at historical cost	<u>2,056,545</u>	<u>147,340</u>	_____	<u>2,203,885</u>
Gross Assets (Memo only)	<u>2,333,332</u>	<u>147,340</u>	_____	<u>2,480,672</u>
Less: Accumulated Depreciation				
Machinery & Equipment	(633,029)	(116,560)	_____	(749,589)
Total Depreciation	<u>(633,029)</u>	<u>(116,560)</u>	_____	<u>(749,589)</u>
Total capital assets being depreciated, net of depreciation	<u>1,423,516</u>	<u>30,780</u>	_____	<u>1,454,296</u>
Total Business-Type Activities (net)	<u>\$1,700,303</u>	<u>\$30,780</u>	_____	<u>\$1,731,083</u>

Depreciation expense was charged to functional expenses areas of the District for Governmental Activities as follows:

Instruction:	
Regular	(\$213,195)
Special Education Instruction	(59,096)
Instruction other	(164,972)
Support services:	
Student & Instruction Related Services	(53,419)
General Administrative Services	(127,184)
School administrative services	(271,322)
Central Service/Adm Tech	
Plant Operations & Maintenance	(2,029,965)
Pupil transportation	(9,858)
Direct Expense of various functions	(4,718,844)
	<u>(\$7,647,855)</u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 4: RIGHT TO USE LEASED ASSETS

The District has recorded the following right to use leased assets. The assets are right to use assets for leased equipment and buildings. The related leases are discussed in the Leases subsection of the Long-term debt section of these notes. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases. Right to use asset activity for the Government Funds for the year ended June 30, 2025 was as follows:

GOVERNMENTAL ACTIVITIES:	<u>Balance as of</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Balance as of</u> <u>June 30, 2025</u>
Lease Assets			
Buildings			
Premises - 2445 Kuser Road	\$461,451		\$461,451
Total Building Lease Assets	<u>461,451</u>		<u>461,451</u>
Equipment			
AltaLink C8170H2 - 2	62,331		62,331
AltaLink C8170H2 - 3	60,906		60,906
AltaLink C8170H2 - 4	74,673		74,673
Altalink C8170H2 - 1	12,276		12,276
EC702 - Xerox Copiers	102,246		102,246
PrimeLink C9070 Copier	30,572		30,572
Xerox Work Centre 5755	16,400		16,400
		<u>148,152</u>	<u>148,152</u>
Total Equipment Lease Assets	<u>359,404</u>	<u>148,152</u>	<u>507,556</u>
Total Lease Assets	<u>820,855</u>	<u>148,152</u>	<u>969,007</u>
Lease Accumulated Amortization			
Buildings			
Premises - 2445 Kuser Road	281,563	93,854	375,417
Total Building Lease Accumulated Amortization	<u>281,563</u>	<u>93,854</u>	<u>375,417</u>
Equipment			
AltaLink C8170H2 - 2	43,235	14,412	57,647
AltaLink C8170H2 - 3	32,585	12,181	44,766
AltaLink C8170H2 - 4	26,606	15,180	41,786
Altalink C8170H2 - 1	8,199	2,733	10,932
EC702 - Xerox Copiers	18,404	20,449	38,853
PrimeLink C9070 Copier	8,068	6,114	14,182
Xerox Work Centre 5755	4,454	3,334	7,788
		<u>28,675</u>	<u>28,675</u>
Total Equipment Lease Accumulated Amortization	<u>141,551</u>	<u>103,078</u>	<u>244,629</u>
Total Lease Accumulated Amortization	<u>423,114</u>	<u>196,932</u>	<u>620,046</u>
Total Governmental Lease Assets, Net	<u>\$397,741</u>	<u>(\$48,780)</u>	<u>\$348,961</u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 5: INTANGIBLE ASSETS

The District has recorded the following intangible assets. The assets are for various subscription-based information technology arrangements (“SBITAs”). These agreements are discussed in the SBITAs subsection of the Long-term liabilities section of these notes. The intangible assets are amortized on a straight-line basis over the terms of the related agreement. Intangible asset activity for the Government Funds for the year ended June 30, 2025 was as follows:

GOVERNMENTAL ACTIVITIES:

	<u>Balance as of June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2025</u>
Subscription Assets				
Software				
Cisco EA Bundle	\$49,264		\$49,264	
EMS Linq Subscription	155,948		155,948	
Google Workspace for Education Plus	131,952			\$131,952
Systems 3K Annual Hosting and Backup	50,577		50,577	
Systems 3K License & Employee Portal	294,275		294,275	
Total Software Subscription Assets	<u>682,016</u>		<u>550,064</u>	<u>131,952</u>
Total Subscription Assets	<u>682,016</u>		<u>550,064</u>	<u>131,952</u>
Subscription Accumulated Amortization				
Software				
Cisco EA Bundle	47,483	1,781	49,264	
EMS Linq Subscription	103,965	51,983	155,948	
Google Workspace for Education Plus	41,785	43,984		85,769
Systems 3K Annual Hosting and Backup	33,718	16,859	50,577	
Systems 3K License & Employee Portal Check	196,183	98,092	294,275	
Total Software Subscription Accumulated Amortization	<u>423,134</u>	<u>212,699</u>	<u>550,064</u>	<u>85,769</u>
Total Subscription Accumulated Amortization	<u>423,134</u>	<u>212,699</u>	<u>550,064</u>	<u>85,769</u>
Total Governmental Subscription Assets, Net	<u>\$258,882</u>	<u>(\$212,699)</u>		<u>\$46,183</u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 6: LONG-TERM LIABILITIES

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2025:

	Balance June 30, 2024 <u>(As Restated)</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, 2025	Amounts due Within <u>one year</u>
Bonds Payable	\$51,780,000		\$5,065,000	\$46,715,000	\$1,905,000
Unamortized Bond Premium	2,076		2,076		
Compensated Absences	3,136,092	\$740,630 *		3,876,722	294,630
Installment Purchase					
Contracts Payable	17,321,799	4,135,000	3,127,128	18,329,672	3,122,720
Leases Payable	393,149	148,152	170,308	370,993	142,374
SBITA's Payable	263,016		215,170	47,846	47,846
Net Pension Liability	42,310,828		2,944,564	39,366,264	
Totals	<u>\$115,206,960</u>	<u>\$5,023,782</u>	<u>\$11,524,246</u>	<u>\$108,706,496</u>	<u>\$5,512,569</u>

*In accordance with GASB Statement No. 101, the change in compensated absences is presented on a net basis.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Debt Service Requirements:

The annual requirements to amortize all debt outstanding as of June 30, 2025, including interest payments on issued debt, are as follows:

Fiscal Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u>			
2026	\$1,905,000	\$1,485,850	\$3,390,850
2027	2,020,000	1,426,975	3,446,975
2028	2,020,000	1,366,375	3,386,375
2029	2,020,000	1,305,775	3,325,775
2030	2,020,000	1,245,175	3,265,175
2031-2035	10,100,000	5,316,875	15,719,875
2036-2040	10,200,000	3,757,400	14,258,400
2041-2045	10,250,000	2,097,075	12,666,288
2046-2048	6,180,000	370,800	8,892,763
	<u>\$46,715,000</u>	<u>\$18,372,300</u>	<u>\$65,087,300</u>

General obligation school and bonds payable with their outstanding balances are comprised of the following individual issue:

\$55,393,000.00 in School Bonds dated December 28, 2017, due in remaining annual installments ranging between \$1,905,000.00 and \$2,060,000.00 beginning December 15, 2025 and ending December 15, 2047 with interest from 3.00% to 4.00%

<u>\$46,715,000</u>
<u>\$46,715,000</u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Bonds Authorized But Not Issued

As of June 30, 2025, the District had no Bonds Authorized but not issued.

Installment Purchase Contracts Payable

The District is contracting technology equipment and energy improvements totaling \$33,647,000 under installment purchase contracts. These contracts are for terms of five years, with the exception of the Energy Saving Improvement Program which carries a term of 15 years. The following is a schedule of the future minimum contract payments at June 30, 2025:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest Due</u>	<u>Total</u>
2026	3,122,720	493,466	3,616,185
2027	2,872,961	445,054	3,318,015
2028	2,394,534	355,232	2,749,766
2029	2,118,481	276,232	2,394,713
2030	1,492,684	210,066	1,702,750
2031-2035	6,328,292	488,596	6,816,888
	<u>\$18,329,671</u>	<u>\$2,268,645</u>	<u>\$20,598,316</u>

Leases Payable:

For the year ended 6/30/2025, the financial statements include the following leases:

<u>Description</u>	<u>Date</u>	<u>Term</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Monthly Payment</u>	<u>Lease Liability 6/30/2025</u>
Buildings						
Premises - 2445 Kuser Road	7/1/2021	59 Months	\$461,451	0.577%	\$7,722	\$89,940
Equipment						
AltaLink C8170H2 - 3	10/28/2021	60 Months	60,906.00	0.452%	1,107	12,707
AltaLink C8170H2 - 4	9/30/2022	60 Months	74,673.00	2.366%	1,318	33,373
EC702 - Xerox Copiers	8/7/2023	60 Months	102,246.00	2.736%	1,797	61,318
PrimeLink C9070 Copier	3/6/2023	60 Months	30,572.00	2.682%	544	16,776
Xerox Contract 1 2024	7/1/2024	60 Months	148,152.00	2.999%	3,429	148,152
Xerox Work Centre 5755	2/28/2025	60 Months	16,400.45	2.682%	292	8,727

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Leases Payable (Continued):

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, were as follows:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$142,374	\$8,515	\$150,889
2027	82,266	6,293	88,559
2028	67,612	4,135	71,747
2029	38,789	2,361	41,150
2030	39,952	1,198	41,150
	<u>\$370,993</u>	<u>\$22,502</u>	<u>\$393,495</u>

Subscription-Based Information Technology Agreements Payable (“SBITAs”)

For the year ended 6/30/2025, the financial statements include the following SBITAs:

<u>Description</u>	<u>Date</u>	<u>Term</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Monthly Payment</u>	<u>Lease Liability 6/30/2025</u>
Google Workspace for Education P	7/19/2023	36 Months	\$131,952	2.901%	\$3,600	\$47,846

The future minimum subscription obligations and the net present value of these minimum payments as of June 30, 2025, were as follows:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	<u>\$47,846</u>	<u>\$754</u>	<u>\$48,600</u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 7: PENSION PLANS

Description of Plans All required employees of the District are covered by the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of each system will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the above systems. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on line at www.state.nj.us/treasury/pensions.

Teachers' Pension and Annuity Fund (TPAF) The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP) The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 7: PENSION PLANS (CONTINUED)

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

As a result of these changes new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Vesting and Benefit Provisions The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Contribution Requirements The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. As of April 1, 2018 employee contributions rates were increased to 7.50%

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 7: PENSION PLANS (CONTINUED)

Contribution Requirements (Continued)

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e. the State of New Jersey makes the employer contribution on behalf of public school districts).

Three Year Trend Information for PERS

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2025	\$3,942,218	100%	\$3,942,218
2024	\$3,904,181	100%	\$3,904,181
2023	\$3,675,347	100%	\$3,675,347

Three Year Trend Information for TPAF (On-behalf Contribution)

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2025	\$33,001,548	100%	-0-
2024	\$33,266,686	100%	-0-
2023	\$32,025,964	100%	-0-

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2025, 2024 and 2023 \$7,651,181, \$7,121,515 and \$6,833,772 respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Public Employees Retirement System (PERS)

At June 30, 2024, the State reported a net pension liability of \$39,366,264.00 for the District's proportionate share of the total net pension liability. 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. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the District's proportion was 0.2897124784 percent, which was an increase of 0.0024011297 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized a pension expense of \$1,282,314.00 in the government-wide financial statements. This pension benefit was based on the pension plan's June 30, 2023 measurement date

At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 788,579.00	\$ 104,804.00
Changes of assumptions	48,905.00	447,898.00
Net difference between projected and actual earnings on pension plan investments		1,825,306.00
Changes in proportion and differences between District contributions and proportionate share of contributions	570,687.00	292,826.00
District contributions subsequent to the measurement date	<u>4,788,995.00</u>	
	<u>\$ 6,197,166.00</u>	<u>\$ 2,670,834.00</u>

The \$4,788,995.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Public Employees Retirement System (PERS) (Continued)

Other local amounts reported by the State as the District's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Amount</u>
2025	(\$1,615,822.80)
2026	1,348,848.20
2027	(688,476.80)
2028	(373,960.80)
2029	66,749.20
	<u>(\$1,262,663.00)</u>

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 rolled forward to June 30, 2024. These actuarial valuations 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%

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.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Public Employees Retirement System (PERS) (Continued)

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 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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2024 asset are summarized in the following table:

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

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

Sensitivity of the District's proportionate share of net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability of the participating employers as of June 30, 2024 respectively, calculated using the discount rate as disclosed above as well as what the District's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1%	June 30, 2024 At Current Discount Rate	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportionate share of the pension liability	\$52,308,087.00	\$39,366,264.00	\$28,352,845.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The amounts contributed by the State on behalf of the District under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the District does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the District related to this legislation.

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the District as of June 30, 2024 was 0.2910509699% which was a decrease of 0.002171066 percent from its proportion measured as of June 30, 2023. The non-employer contributing entities' contribution and employer pension expense and related revenue for the years ended June 30, 2024 and June 30, 2023 was \$126,917.00 and 131,952.00, respectively.

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

Teachers Pensions and Annuity Fund (TPAF)

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, these local participating employers are 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 local participating employers do 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.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Teachers Pensions and Annuity Fund (TPAF) (Continued)

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2025 was as follows:

Net Pension Liability:	
Districts proportionate share	\$-0-
State's proportionate share associated with the District	<u>385,843,874.00</u>
	<u><u>\$385,843,874.00</u></u>

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 June 30, 2023 which was rolled forward to June 30, 2024. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2024, the proportion of the TPAF net pension liability associated with the District was .7806637171% which was a decrease of .0027387290 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized on-behalf pension benefit and revenue of \$1,407,499.00 in the government-wide financial statements for contributions provided by the State. This pension 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%

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Mortality Rate

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 adding expected inflation.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return (Continued)

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

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

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

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

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 8: ACCOUNTING AND REPORTING FOR PENSIONS – GASB 68

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 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. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. 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.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	153,556
Inactive Plan Members or Beneficiaries	
Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u><u>372,741</u></u>

Total Non-Employer OPEB Liability

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2025 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	<u>519,846,383</u>
	<u><u>\$519,846,383</u></u>

The total Non-Employer OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024.

The total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2025, the District recognized on-behalf post-employment expense and revenue of \$14,328,259.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2024 measurement date.

At the June 30, 2024 measurement date, the District's proportion was .8714851434 percent, which was a decrease of .0053035237 percent from its proportion measured as of June 30, 2023.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Actuarial Assumptions and Other Inputs

The total Non-Employer OPEB liability that was associated with the District as of June 30, 2025 was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases	2.75-5.65%*	2.75-6.55%*	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 disabled retirees. Future disabled retirees was based on the Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

Health Care Trend Assumptions

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

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Discount Rate

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

Changes in the Total Non-Employer OPEB Liability

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2023 to June 30, 2024.

Balance at 6/30/23		\$459,101,173
Changes for the year:		
Service cost	\$17,679,247	
Interest	17,112,111	
Differences between expected and actual experience	(316,263)	
Changes in assumptions or other inputs	38,891,423	
Membership Contributions	447,489	
Benefit payments - Net	<u>(13,068,797)</u>	
Net changes		<u>60,745,210</u>
Balance at 6/30/24		<u><u>\$519,846,383</u></u>

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2025, calculated using the discount rate as disclosed above as well as what the total Non-Employer 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:

	<u>1.00%</u> <u>Decrease (2.93%)</u>	<u>At Discount</u> <u>Rate (3.93%)</u>	<u>1.00%</u> <u>Increase (4.93%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$608,851,448	\$519,846,383	\$448,267,836

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2025, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer 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:

	<u>1.00%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1.00%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$433,035,822	\$519,846,383	\$632,922,868

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

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

At the June 30, 2024 measurement date, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 55,591,447	\$ 97,080,891
Changes of assumptions	87,191,898	101,637,895
Changes in proportion	<u>4,664,886</u>	<u>11,347,933</u>
	<u>\$ 147,448,231</u>	<u>\$ 210,066,719</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

Measurement Period Ended <u>June 30,</u>	<u>Amount</u>
2025	(\$19,776,167)
2026	(\$16,798,286)
2027	(\$8,680,414)
2028	\$593,471
2029	(\$14,737,660)
Total Thereafter	<u>(\$3,219,429)</u>
	<u>(\$62,618,487)</u>

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 9: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

NOTE 10: LITIGATION

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

A claim brought by various retirees of the Board, alleging that cash payments for prescription coverage for the retirees and their dependents had not been paid in 2013, 2014 and 2015, has been settled. As part of the settlement agreement there will be 10 payments of \$1.3 million with the first payment in the 2018-19 school year. Payments will be provided for in each future budget.

NOTE 11: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2024-2025 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000.00 Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 12: RISK MANAGEMENT

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

Property and Liability Insurance The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

Worker's Compensation Insurance

Effective July 1, 2006, the District obtained commercial insurance coverage for its Worker's Compensation Program. The applicable coverage's are set forth in the "Employers Liability Insurance Agreement"

Prior to this period and effective for the periods August 1, 1980 through June 30, 2005, the Board instituted a risk management program which combined risk retention and reinsurance coverage for claims relating to statutory worker's compensation. Expenditures for "run-off" claims from this program are accounted for through the District's Internal Service Fund.

The Board has engaged an outside claims service company to serve as administrator of the program. Loss reserves are established by the administrator for estimated benefits and expenses for reported claims.

Established reserves are subject to change as facts and circumstances relating to claims dictate, and no provision is made for estimated losses relating to claims incurred but not reported. At June 30, 2025 the District, based upon the plan administrator's estimate, has established a reserve for reported claims in the amount of \$154,638.

Health Benefits

The District provides health benefits to employees through a self-insured policy administered by Aetna. The incurred but not reported liability ("IBNR") actuarially computed by Horizon was \$3,005,000 at June 30, 2025. It was also noted that the entire IBNR is adjusted for changes in estimate at year end and such changes are reflected in the district's budget and the entire liability is treated as a liability for budgetary purposes.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 12: RISK MANAGEMENT (CONTINUED)

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. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation.

The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District for the current and previous two years:

Year Ended June 30,	Interest	Employee Contributions	Amount Reimbursed	Ending Balance	Analysis of Balance	
					State Unemployment Insurance Payable	Restricted Fund Balance
2025	\$92,330	\$673,975	\$453,683	\$3,441,247	745,870	2,695,377
2024	91,081	435,021	283,044	3,128,625	525,578	2,603,047
2023	53,434	436,449	392,497	2,885,567	373,600	2,511,967

The balance at June 30, 2025 is reflected on the financial statement as \$2,695,377 in Restricted Fund Balance and \$745,870 in State Unemployment Payable.

NOTE 13: COMPENSATED ABSENCES

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by Governmental Accounting Standards Board Statement No. 101 (GASB 101), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 13: COMPENSATED ABSENCES (CONTINUED)

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2025, a liability existed for compensated absences for governmental fund-types in the district- wide statement of net position of \$3,876,722.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2025 no liability existed for compensated absences in the proprietary funds.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

NOTE 14: FUND BALANCE

General Fund The table below reflects the District's Fund Balance at June 30, 2025 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last state aid payment which under GAAP is not recognized:

	<u>Budgetary Basis</u>	<u>Adjustment</u>	<u>GAAP Basis</u>
Restricted:			
Excess Surplus:			
Designated for Subsequent			
Year's Expenditures	\$ 3,508,654	\$	3,508,654
Current Year	3,411,782	(913,277)	2,498,505
Capital Reserve	19,446,228		19,446,228
Maintenance Reserve	2,877,757		2,877,757
Emergency Reserve			
State Unemployment Insurance	2,695,378		2,695,378
Assigned:			
Designated for Subsequent			
Year's Expenditures	5,000,000		5,000,000
Encumbrances	5,676,388	(5,676,388)	
SEMI/FFCRA - designated for			
subsequent year expenditure			
Unassigned	<u>6,511,213</u>	<u>(6,511,213)</u>	<u> </u>
	<u>\$ 49,127,400</u>	<u>\$ (13,100,878)</u>	<u>\$ 36,026,522</u>

Debt Service Fund Debt Service Fund Balance at June 30, 2025 was \$400,851. Of that balance, \$378,576 is assigned for Subsequent years expenditure. The remaining \$22,275 is restricted for future debt service expenditures.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 15: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS

Calculation of Excess Surplus In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the Restricted Fund Balance- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget.

General Fund Expenditures:		
Fiscal Year Ended, June 30 2025		\$301,207,751
Less:		
Reimb. TPAF Social Security Contributions	\$7,651,181	
Reimb. TPAF Pension Contributions	42,659,441	
Installment Purchase	148,152	
	50,458,774	
Adjusted General Fund Expenditures		250,748,977
Excess Surplus Percentage		2.00%
		5,014,980
Increased by:		
Extraordinary Aid (unbudgeted)	1,246,530	
Non-Public Transportation Aid (unbudgeted)	249,703	
	1,496,233	
Maximum Unreserved/Undesignated General Fund Balance		6,511,213
Actual Unassigned General Fund Balance		10,019,867
Excess Surplus		\$ 3,508,654

As of June 30, 2025, \$3,411,782 is reported as Restricted Fund Balance Excess Surplus Designated for Subsequent Year's Expenditure and is required to be appropriated for property tax relief in the 2025-26 budget. \$3,508,654 is reported as Restricted Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2026-27 budget.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2025:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 4,526,217	\$ 145,763
Special Revenue Fund	62,079	2,193,794
Capital Projects Fund		945,823
Debt Service Fund		482,989
Enterprise Fund		819,928
	\$ 4,588,297	\$ 4,588,297
	\$ 4,588,297	\$ 4,588,297

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 17: CAPITAL RESERVE ACCOUNT

A capital reserve account has been established by the Township of Hamilton Board of Education 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 of Education, 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 appropriations, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special election dates authorized by N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 17: CAPITAL RESERVE ACCOUNT (CONTINUED)

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

Balance, July 1, 2024 (Budgetary Basis)	\$	3,257,875
Interest Earnings		<u>616,520</u>
Deposits:		
Budgeted Increase	\$	3,500,000
By Board Resolution		8,000,000
Unexpended Appropriations		<u>4,504,434</u>
		<u>16,004,434</u>
		19,878,828
Withdrawals:		
By Board Resolution		<u>432,600</u>
		<u>432,600</u>
Balance, June 30, 2025 (Budgetary Basis)	\$	<u><u>19,446,228</u></u>

NOTE 18: MAINTENANCE RESERVE ACCOUNT

In accordance with N.J.S.A. 18A:7G-13, a Maintenance reserve account was established by the District. The Maintenance reserve account is maintained in the general fund.

A district board of education or board of school estimate, as appropriate, may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes.

A district board of education or board of school estimate, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26A-4.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 18: MAINTENANCE RESERVE ACCOUNT (CONTINUED)

The district board of education shall ensure that the maintenance reserve account balance does not, at any time, exceed four percent of the replacement cost of the school district's school facilities for the current year. If the account exceeds this maximum amount at June 30, the district board of education shall reserve and designate such excess in the subsequent year's budget.

At June 30, 2025, the balance of the Maintenance Reserve Account was within the statutory limitations. The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Balance, July 1, 2024 (Budgetary Basis)	\$	840,297
Interest Earnings		<u>37,460</u>
Deposits:		
By Board Resolution	\$	<u>2,000,000</u>
		<u>2,000,000</u>
Balance, June 30, 2025 (Budgetary Basis)	\$	<u><u>2,877,757</u></u>

NOTE 19: INVENTORY

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

Food and Supplies	<u>\$135,946</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act Amendment of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 20: DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Sections 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:

Ameriprise Financial RiverSource	Lincoln Investment Planning
Corebridge Financial (formerly AIG)	MetLife
Empower (formerly Mass Mutual)	Security Benefit
Equitable (formerly AXA)	The Legend Group
Invesco Oppenheimer Funds	Thrivent

NOTE 21: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

The District has identified several agreements that have been entered into by Hamilton Township that require disclosure under this statement. The gross dollar amount, on an accrual basis, by which the District's property tax revenues were potentially reduced during the reporting period as a result of tax abatement agreements totaled \$2,147,490. It is important to note that the District Tax Levy is guaranteed to be paid in full by the municipalities and that the District collected its full tax levy for FY2025.

The property owner under the terms of these agreements are required to pay the municipalities an annual service charge in lieu of taxes. In certain cases, a portion of this fee is remitted to the school district. During FY2025, the District has recognized \$353,140 under the PILOT under the terms of the agreement, as of 06/30/2025.

Hamilton Township School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2025

NOTE 22: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through November 20, 2025 which is the date the financial statements were available to be issued. The District has determined that there are no material subsequent events that need to be disclosed.

NOTE 23: PRIOR PERIOD ADJUSTMENTS

Net Position at June 30, 2024 has been adjusted to properly reflect Capital Assets and to reflect the effect of the implementation of GASB 101 on Compensated Absences:

District-Wide Financial Statements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Position 06/30/24	\$54,950,849.00 \$	3,314,965
Adjustment:		
Long Term Liabilities:		
Compensated Abences	490,960	
Net investment in capital assets	<u>(499,438)</u>	<u>253,223</u>
Net Position 06/30/24 (As Restated)	<u><u>\$54,942,371</u></u>	<u><u>3,568,188</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES:					
Local Sources:					
Local Tax Levy	127,372,170		127,372,170	127,372,170	\$ 33,800
Tuition from Individuals	100,000		100,000	133,800	59,809
Tuition from Other LEAs Within State	147,000		147,000	206,809	(16,612)
Transportation Fees From Individuals	50,000		50,000	33,388	97,260
Transportation Fees From Other LEAs	10,000		10,000	107,260	1,054,607
Unrestricted Miscellaneous Revenues	1,876,000		1,876,000	2,930,607	29,160
Interest Earned on Maintenance Reserve	8,300		8,300	37,460	551,520
Interest Earned on Capital Reserve Funds	65,000		65,000	616,520	92,330
Other Restricted Miscellaneous Revenues				92,330	1,901,674
Total Local Sources	129,628,470		129,628,470	131,530,344	
Intermediate Sources:					
PILOT Payments to School District	500,000		500,000	353,140	(146,860)
Total Intermediate Sources	500,000		500,000	353,140	
State Sources:					
Categorical Transportation Aid	5,204,555		5,204,555	5,204,555	1,246,530
Extraordinary Aid	800,000		800,000	2,046,530	
Categorical Special Education Aid	14,654,032		14,654,032	14,654,032	
Equalization Aid	110,055,864		110,055,864	110,055,864	
Categorical Security Aid	4,787,484		4,787,484	4,787,484	
Other State Aids				265,434	265,434
On-behalf TPAF Contributions-non-budgeted				32,597,749	32,597,749
On-behalf TPAF N.C.G.I.-non-budgeted				403,799	403,799
Post Retirement Medical-non budgeted				9,643,079	9,643,079
Long Term Disability Insurance				14,814	14,814
Reimbursed TPAF Soc. Sec. Contribution-non-budgeted				7,651,161	7,651,161
Total State Sources	135,501,935		135,501,935	187,324,521	51,822,686
Federal Sources:					
Medicaid Reimbursement	320,337		320,337	188,867	(131,470)
Total Federal Sources	320,337		320,337	188,867	
Total Revenues	285,950,742		285,950,742	319,395,872	53,446,130
EXPENDITURES:					
CURRENT EXPENSE:					
Preschool	354,761	(13,056)	341,705	340,985	718
Kindergarten	3,043,642	18,181	3,061,823	3,051,691	10,132
Grades 1-5	20,130,658	(272,867)	19,857,771	19,851,563	6,208
Grades 6-8	12,926,648	(7,574)	12,919,275	12,782,637	136,638
Grades 9-12	20,770,209	(117,960)	20,652,219	20,468,176	183,043
Regular programs - home instruction:					
Salaries of teachers	400,000	24,967	424,967	424,967	15,680
Purchased professional educational services	111,221	59,112	169,333	153,644	88,883
Regular programs - undistributed instruction:					
Other salaries for instruction	53,600	14,756	68,356	68,356	9,220
Purchased professional - educational services	1,481,161	242,633	1,723,794	1,634,911	176,705
Purchased technical services	53,779	374	54,153	44,933	160,272
Other purchased services (400 - 500 series)	2,632,388	8,162	2,640,570	2,463,866	39,021
General supplies	2,368,308	(71,212)	2,297,096	2,116,823	33,030
Textbooks	797,394	(25,605)	771,789	732,769	879,560
Other objects	51,550	12,953	64,503	31,473	
Total regular programs	65,175,520	(128,169)	65,047,351	64,167,791	

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	3,765,174	(44,676)	3,720,498	3,669,499	50,999
Other salaries for instruction	1,585,711	17,453	1,603,164	1,572,948	30,216
Purchased Professional-Educational Services	29,060	4,400	4,400	4,400	
General Supplies	5,379,945	973	5,380,918	5,272,196	4,683
Total Learning and/or Language Disabilities		(21,851)			85,898
Behavioral Disabilities:					
Salaries of Teachers	1,358,884	(90,557)	1,268,327	1,251,763	16,564
Other Salaries for Instruction	1,050,012	104,356	1,154,368	1,126,161	28,207
General Supplies	13,300	(2,498)	10,802	8,162	2,639
Other Objects	2,422,196	4,488	2,426,684	2,580	1,906
Total Behavioral Disabilities		15,787			49,316
Multiple Disabilities:					
Salaries for Teachers	1,630,718	63,566	1,694,284	1,693,925	359
Other Salaries for Instruction	1,218,181	63,467	1,281,648	1,228,523	53,125
Purchased Prof. Educ Services	2,808	1,092	3,900	3,150	750
General Supplies	30,402	4,459	34,861	31,962	2,899
Other Objects	2,892,109	272	2,892,381	2,66	6
Total Multiple Disabilities		132,856			57,139
Resource Room / Resource Center:					
Salaries of Teachers	8,305,195	(234,092)	8,071,103	7,977,156	93,947
Other salaries for instruction	1,013,160	70,836	1,083,996	1,071,013	12,983
Purchased Professional-Educational Services	55,000	241,045	296,045	245,465	50,580
Purchased Technical Services	8,000	(6,000)	2,000		
General Supplies	56,860	7,367	64,227	52,914	11,313
Total Resource Room / Resource Center		77,156			168,823
Autism:					
Salaries of Teachers	1,816,804	(175)	1,816,629	1,805,893	10,736
Other Salaries for Instruction	1,579,147	(30,367)	1,548,780	1,547,621	1,159
General Supplies	29,000	2,570	31,570	27,278	4,292
Total Autism		(27,972)			16,187
Preschool Disabilities - Part - Time:					
Salaries of Teachers	335,289	6,737	342,026	340,831	1,195
Other Salaries for Instruction	265,042	54,537	319,579	313,990	5,589
General Supplies	6,000	557	6,557	6,541	17
Total Preschool Disabilities - Part - Time		61,831			6,801
Preschool Disabilities - Full - Time:					
Salaries of Teachers	564,094	29,789	593,883	593,883	348
Other Salaries for Instruction	434,661	160,473	595,134	594,786	348
Supplies and Materials	1,000	(839)	161	162	(1)
Total Preschool Disabilities - Full - Time		189,423			348
Total Special Education	25,153,502	427,231	25,580,733	25,196,221	384,511

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Basic Skills / Remedial:					
Salaries of Teachers	3,483,301	(158,651)	3,324,650	3,333,952	699
General Supplies	6,100	(4,900)	1,200	1,122	78
Total Basic Skills / Remedial	3,489,401	(163,551)	3,325,850	3,335,074	776
Bilingual Education Instruction:					
Salaries of Teachers	2,023,426	(32,390)	1,991,036	1,990,866	170
General Supplies	6,000	(0)	6,000	5,863	137
Total Bilingual Education Instruction	2,029,426	(32,390)	1,997,036	1,996,729	308
School Sponsored Co-Curricular Activities:					
Salaries	790,888	10,706	801,594	739,859	61,735
Purchased Services (300-500 series)	3,725	3,725	7,450	3,725	3,725
Supplies and Materials	87,396	(6,869)	80,527	51,663	28,864
Other Objects	47,034	9,531	56,565	52,575	3,990
Total School Sponsored Co-Curricular Activities	929,043	13,368	942,411	844,096	98,315
School Sponsored Athletics:					
Salaries	1,318,133	116,295	1,434,428	1,421,871	12,557
Purchased Services (300-500 Series)	41,325	(1,000)	40,325	36,112	4,213
Supplies and Materials	277,240	5,026	282,266	213,471	68,795
Other Objects	317,727	(6,181)	311,546	266,934	44,612
Total School Sponsored Athletics	1,954,425	114,140	2,068,565	1,938,388	130,177
Other Instructional Programs:					
Summer School Instruction:					
Salaries	282,100		282,100	114,431	167,669
Total Summer School Instruction	282,100		282,100	114,431	167,669
Total Summer School	282,100		282,100	114,431	167,669
Instructional ALT ED Prog Instruction:					
Salaries of Teachers	190,000	13,043	203,043	203,043	
Total Instructional ALT ED Prog Instruction	190,000	13,043	203,043	203,043	
Instructional ALT ED Prog Support:					
Salaries	70,500	3,903	74,403	74,403	
Total Instructional ALT ED Prog Support	70,500	3,903	74,403	74,403	
Total Instructional ALT ED Program	260,500	16,946	277,446	277,446	
Other Instructional Programs Instruction:					
Salaries	4,000	(4,000)			
Total Other Instructional Programs Instruction	4,000	(4,000)			
Community Services Programs/Operation:					
Salaries	6,000		6,000	5,730	270
Other Objects	9,756		9,756	9,161	595
Total Community Services Programs/Operation	15,756		15,756	14,891	865
Total Other Instructional Programs	8,974,851	(65,487)	8,919,164	8,521,056	398,109
Total - Instruction	99,303,873	243,576	99,547,249	97,885,068	1,662,180

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's within the State - Regular	235,025	(62,767)	152,258	151,317	940
Tuition to Other LEA's within the State - Special	346,000	23,071	369,071	367,927	1,144
Tuition to County Vocational School District - Regular	1,044,900	(22,716)	1,022,184	1,021,914	270
Tuition to County Vocational School District - Sp Ed	477,360	(76,721)	398,639	393,239	5,400
Tuition to CSSD & Regional Day Schools	2,765,000	(775,871)	1,989,129	1,989,119	10
Tuition to Private Schools for the Handicapped w/in State	5,214,800	721,395	5,936,195	5,909,171	27,024
Tuition - State Facilities	176,588		176,588	176,588	
Tuition - Other	423,742	(95,745)	327,997	327,997	
Total Undistributed Expenditures - Instruction	10,683,415	(311,354)	10,372,061	10,337,272	34,789
Attendance and Social Work Services:					
Salaries	359,785	20,485	380,270	380,270	
Purchased Professional and Technical Services	197,674	(100,000)	97,674	19,288	78,386
Other Purchased Services (400-500 series)	6,120		6,120	3,375	2,745
Supplies and Materials	1,500		1,500	668	832
Total Attendance and Social Work Services	565,079	(79,515)	485,564	403,601	81,964
Health Services:					
Salaries	2,543,910	(49,365)	2,494,545	2,481,856	12,689
Purchased Professional and Technical Services	184,755	(8,017)	176,738	175,989	750
Other Purchased Services	1,250	(383)	867	867	
Supplies and Materials	31,195	5,715	36,910	35,197	1,713
Total Health Services	2,761,110	(52,050)	2,709,060	2,693,909	15,151
Other Support Services - Speech, OT, PT & Related Services:					
Salaries	2,643,154	(107,461)	2,535,693	2,504,156	31,537
Purchased Professional - Educational Services	1,216,129	781,315	1,997,444	1,913,335	84,109
Supplies and Materials	20,000	9,108	29,108	29,072	36
Total Other Support Services - Speech, OT, PT & Related Services	3,879,283	682,961	4,562,244	4,446,562	115,682
Other Support Services - Students - Extra Services					
Salaries	1,002,203	(2,852)	999,351	941,340	58,010
Purchased Professional - Educational Services	1,669,000	(182,344)	1,486,656	1,418,923	67,733
Total Other Support Services - Students - Extra Services	2,671,203	(185,196)	2,486,007	2,360,263	125,744

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Guidance:					
Salaries of Other Professional Staff	4,676,924	321,784	4,998,708	4,980,846	17,862
Salaries of Secretarial and Clerical Assistants	607,904	(11,561)	596,343	575,177	21,165
Unused Vacation Payment to Terminated/Retired Staff		5,733	5,733	5,733	
Purchased Professional - Educational Svcs	58,500	(934)	57,566	45,181	12,385
Other Purchased Services	14,750		14,750	8,846	5,904
Supplies and Materials	15,903	5,558	21,461	16,480	4,971
Other Objects	7,620	1,093	8,713	6,853	1,860
Total Guidance	5,381,601	321,672	5,703,273	5,639,126	64,147
Child Study Teams:					
Salaries of Other Professional Staff	5,613,537	42,138	5,655,675	5,601,977	53,699
Salaries of Secretarial and Clerical Assistants	665,441	(33,424)	632,017	572,067	59,950
Unused Vac. Payment to Terminated/Retired Staff		41,693	41,693	41,693	
Purchased Professional Educational Svcs	1,268,673	(197,657)	1,071,016	1,062,933	8,084
Other Purchased Professional and Technical Svcs.	6,750	(4,770)	1,980	1,980	
Other Purchased Services (400-500 series)	33,016	7,257	40,273	40,184	89
Supplies and Materials	27,000	(6,219)	20,781	20,524	257
Other Objects	300	(300)			
Total Child Study Teams	7,614,717	(151,281)	7,463,436	7,341,357	122,079
Improvement of Instruction Services					
Other Support Services - Instructional Staff:					
Summer Curriculum Development			1,326,190	1,326,190	
Salaries of Supervisors of Instruction	1,319,130	7,060	2,76,049	276,049	
Salaries of Other Professional Staff	272,449	3,600	276,049	276,049	
Salaries of Secretarial and Clerical Assts.	207,176	4,579	211,755	211,756	
Other Purchased Services (400-500)	13,490	(3,329)	10,161	9,813	349
Supplies and materials	200,950	(12,196)	188,754	188,754	
Total Improvement of Instruction Services /					
Other Support Services - Instructional Staff	2,013,195	(285)	2,012,910	2,012,561	349
Educational Media Services / School Library:					
Salaries	1,301,245	29,948	1,331,193	1,242,913	88,280
Purchased Professional and Technical Services	70,210	(1,086)	69,123	48,130	20,993
Supplies and materials	246,531	(10,004)	236,527	112,955	123,572
Total Educational Media Services / School Library	1,617,985	18,858	1,636,843	1,403,998	232,845
Instructional Staff Training Services:					
Salaries of Other Professional Staff	16,000	8,553	24,553	24,553	
Other Purchased Professional - Educational Svcs.	338,770	80,897	419,667	419,667	
Other Purchased Services (400- 500)	122,000	(91,771)	30,229	28,229	2,000
Supplies and materials		517	517	517	
Total Instructional Staff Training Services	476,770	(1,804)	474,966	472,966	2,000

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Support Services General Administration:					
Salaries	346,639	49	346,688	346,688	\$
Legal Services	303,000	(103,896)	199,104	199,104	
Audit Fees	71,708	(683)	71,025	71,025	
Architectural/Engineering Services	571,916	554,120	1,126,036	1,069,820	56,216
Other Purchased Professional Services	442,510	(29,928)	412,582	400,958	11,625
Communications / Telephone	288,980	(93,443)	195,537	180,528	15,009
Board Travel Expense	2,500		2,500	360	2,140
Miscellaneous Expenditures	1,077,004	(93,500)	983,504	969,691	13,813
General Supplies	19,800	(3,956)	15,844	6,129	9,715
BOE In- House Training/ Meeting Supplies	2,500		2,500	2,500	2,500
Judgements against the District	1,324,127	(15,000)	1,309,127	1,279,028	30,099
Miscellaneous Expenditures	10,900	225,470	236,370	235,777	594
BOE Membership Dues and Fees	30,239		30,239	29,839	400
Total Support Services General Administration	4,481,823	439,234	4,931,058	4,788,946	142,111
Support Services School Administration:					
Salaries of Principals / Asst. Principals	7,076,033	(5,600)	7,070,433	7,070,432	0
Salaries of Secretarial and Clerical Assistants	2,918,194	12,008	2,930,202	2,930,201	1
Other Salaries	900		900	900	900
Unused Vacation Payment to Terminated/Retired Staff	40,000	140,105	180,105	180,105	5,909
Purchased Professional and Technical Services	8,795	10,600	19,395	13,486	18,462
Other Purchased Services(400-500 series)	100,985	(2,540)	98,445	79,992	22,635
Supplies and Materials	111,158	(1,983)	109,165	86,531	10,254
Other Objects	62,606	3,696	66,302	56,047	58,162
Total Support Services School Administration	10,318,871	156,275	10,475,146	10,416,784	58,162
Central Service:					
Salaries	1,972,283	53,249	2,025,532	1,990,302	35,229
Unused Vacation Payment to Terminated/Retired Staff	2,000	11,683	13,683	11,683	341
Purchased Professional Services	18,000	2,225	20,225	3,884	1,546
Other Purchase Professional Service	171,655	9,105	180,760	25,559	6,225
Misc. Purch Services (400-500)	22,108	1,728	23,836	167,158	601
Supplies and Materials	74,548	(3,683)	70,865	17,824	32
Miscellaneous Expenditures	2,260,595	15,581	2,276,176	90,098	43,975
Total Central Service	2,260,595	89,887	2,350,482	2,306,508	43,975
Administrative Information Technology:					
Salaries	1,757,587	16,162	1,773,749	1,749,491	24,258
Purchased Technical Services	875,284	(87,960)	787,324	754,571	32,753
Other Purchased Services	83,000		83,000	75,911	7,089
Supplies and Materials	60,871	30,000	90,871	88,874	1,997
Total Administrative Information Technology	2,776,542	(41,798)	2,734,744	2,668,848	65,896
Required Maintenance for School Facilities:					
Salaries	2,768,291	(72,958)	2,695,333	2,695,329	4
Unused Vacation Payment to Terminated/Retired Staff	3,060,195	7,107	3,067,302	7,107	1,124,765
Cleaning, Repair and Maintenance Services	1,200	(1,001,673)	205,629	933,756	1,200
Lead Testing of Drinking Water	457,490	1,200	458,690	484,555	75,740
General Supplies	11,100	102,806	113,906	63,571	150
Other Objects	6,298,276	52,621	6,350,897	63,571	1,201,859
Total Required Maintenance for School Facilities	6,298,276	(912,098)	5,386,178	4,184,319	1,201,859

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Custodial Services:					
Salaries	\$ 7,143,678	\$ 208,362	\$ 7,352,040	\$ 7,352,034	\$ 6
Unused Vacation Payment to Terminated/Retired Staff		21,473	21,473	21,473	
Purchased Professional and Technical Services	42,830	(25,709)	17,125	17,125	
Cleaning, Repair and Maintenance Services	1,096,525	(111,587)	924,938	826,280	98,658
Rental of Land and Building	118,000		118,000	106,700	11,300
Lease Purchase Pymts- Energy Savings Impr Prog	1,156,306	0	1,156,306	1,156,306	0
Other Purchased Property Services	350,200		350,200	316,673	33,527
Insurance	349,618	39,680	389,298	389,298	
Miscellaneous Purchased Services	7,500		7,500	960	6,540
General Supplies	572,186	(1,950)	570,236	521,509	48,728
Energy (Natural Gas)	1,165,300	25,470	1,190,770	1,113,964	76,785
Energy (Heat and Electricity)	1,261,800	145,474	1,407,274	1,395,698	11,576
Energy (Gasoline)	82,250	(13,448)	68,802	68,802	
Other Objects	11,300		11,300	6,994	4,306
Total Custodial Services	13,297,493	287,769	13,585,261	13,293,836	291,425
Care and Upkeep of Grounds:					
Salaries	625,439	25,896	651,335	651,335	0
Cleaning, Repair And Maintenance	61,000		61,000	52,268	8,732
General Supplies	126,142		126,142	102,959	23,183
Total Care and Upkeep of Grounds	812,581	25,896	838,477	806,562	31,915
Security:					
Salaries	646,677	(317,726)	328,951	316,160	12,791
Purchased Professional and Technical Services	1,637,200	673,315	2,310,515	2,212,854	97,661
Cleaning, Repair, and Maintenance Services		1,000,000	1,000,000	29,391	970,609
General Supplies	29,681	15,892	45,573	36,611	8,962
Other Objects	4,545	(112)	4,433	2,420	2,013
Total Security	2,318,103	1,371,169	3,689,272	2,597,436	1,091,836
Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Regular	281,737	(2,254)	279,483	277,929	1,554
Salaries for Pupil Transportation (Between Home and School) - Special	578,985	4,236	583,221	582,012	1,209
Transportation- Other Purchased Prof & Tech	72,135	2,500	74,635	11,886	62,949
Cleaning, Repair and Maintenance Services	25,000		25,000	11,826	13,174
Rental Payments	137,194	3,430	140,624	140,624	
Contracted Services - Aid in Lieu Payments-NonPub Sch	666,000	(2,000)	666,000	565,418	100,582
Contract, Serv. - Aid in Lieu Pymts-Renaissance Sch and School) - Vendors	5,614,112	(75,799)	5,538,313	5,535,050	3,263
Contracted Services (Other than Between Home and School) - Vendors	844,318	12,440	856,758	791,892	64,867
Contract Services (Sp. Ed. Stds.) - Vendors	11,281,216	77,207	11,358,423	11,071,977	286,446
Contracted Svcs. (Spec. Ed Stud.s) - Joint Agree.		16,122	16,122	16,122	
Contracted Svcs - (Spec. Ed. Stud) - ESCs & CTSA's	850,000	(31,364)	818,636	707,197	111,440
Miscellaneous Purchased Services - Transportation	1,800		1,800	400	1,400
General Supplies	2,400		2,400	2,389	11
Transportation Supplies	110,440	(30,996)	79,444	67,951	11,493
Other Objects	17,900	(1,110)	16,790	12,040	4,750
Total Student Transportation Services	20,465,237	(27,566)	20,437,671	19,794,512	663,137

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Unallocated Benefits - Employee Benefits:					
Group Insurance	\$ 145,000	\$ 4,210	\$ 149,210	\$ 142,278	\$ 6,932
Social Security Contributions	2,409,320	429,327	2,838,647	2,838,460	187
T.P.A.F. Contributions - ERIP	1,000	327	1,327	1,327	
Other Retirement Contributions - PERS	4,115,390	(109,421)	4,005,969	4,004,788	1,181
Workmen's Compensation	1,516,640	(68,572)	1,448,068	1,317,560	130,508
Health Benefits	38,567,519	(1,335,440)	37,232,079	32,422,757	4,809,322
Tuition Reimbursements	285,000		265,000	271,488	13,502
Unused sick payment	1,120,000	(20,000)	1,100,000	954,980	145,020
Total Unallocated Benefits - Employee Benefits	48,159,889	(1,099,566)	47,060,301	41,953,648	5,106,652
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF Contributions-non-budgeted				32,597,749	(32,597,749)
NCG-non-budgeted				403,799	(403,799)
Post Retirement Medical-non budgeted				9,643,079	(9,643,079)
Reimbursed TPAF Social Security Contribution-non-budgeted				7,651,181	(7,651,181)
Long Term Disability Insurance				14,814	(14,814)
Total TPAF Pension/Social Security				50,310,622	(50,310,622)
Total Undistributed Expenditures	148,883,548	531,183	149,414,731	190,233,637	(40,818,905)
General Current Expense:					
Interest Earned on Maintenance Reserve	8,300		8,300		8,300
Total General Current Expense	8,300		8,300		8,300
TOTAL EXPENDITURES - CURRENT EXPENSE	248,195,521	774,759	248,970,280	288,118,704	(39,148,425)
CAPITAL OUTLAY:					
Equipment:					
Grades 6-8		12,898	12,898	12,898	
Grades 9-12 - Equipment	15,000	31,470	46,470	16,944	29,526
Undistributed-Admin. Info Technology	58,983	3,587	62,571	62,571	
Undistributed-Req. Maint. For Schools		12,760	12,760	12,751	9
Total Equipment	73,983	60,716	134,699	105,165	29,534
Facilities Acquisition and Construction Services:					
Construction services	13,166,672	434,360	13,601,032	4,644,359	8,956,673
Assessment for Debt Service on SDA Funding	146,170		146,170	146,170	
Total Facilities Acquisition and Construction Services	13,312,842	434,360	13,747,202	4,790,529	8,956,673
Interest Deposit to Capital Reserve	65,000		65,000		65,000
Undistributed expenditures:					
Total assets acquired under leases (non-budgeted)				148,152	(148,152)
TOTAL CAPITAL OUTLAY	13,451,825	495,076	13,946,901	5,043,845	8,903,055
Transfer of funds to charter schools	10,597,885	(837,235)	9,760,650	8,045,201	1,715,449
TOTAL EXPENDITURES	\$ 272,245,231	\$ 432,600	\$ 272,677,831	\$ 301,207,751	\$ (28,529,921)

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Excess (deficiency) of revenues over (under) expenditures	\$ (6,294,489)	\$ (432,600)	\$ (6,727,089)	\$ 18,189,121	\$ 24,916,209
Other financing sources (uses)				4,504,434	4,504,434
Transfers from Other Funds				4,652,586	4,652,586
Total other financing sources(uses)					
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	\$ (6,294,489)	\$ (432,600)	\$ (6,727,089)	\$ 22,841,707	\$ 29,568,795
Fund balances, July 1	26,285,693		26,285,693	26,285,693	
Fund balances, June 30	\$ 19,991,204	\$ (432,600)	\$ 19,558,604	\$ 49,127,400	\$ 29,568,795
Recapitulation:					
Assigned - year-end encumbrances				\$ 5,676,388	
Restricted:					
Excess surplus - current year				3,508,654	
Excess surplus - designated for subsequent year's expenditures				3,411,762	
Capital reserve				19,446,228	
Maintenance reserve				2,877,757	
State Unemployment Insurance				2,695,378	
Unassigned fund balance				6,511,213	
Assigned - designated for subsequent years expenditures				5,000,000	
				\$ 49,127,400	
Reconciliation to governmental funds statements (GAAP):					
Prior Year aid payment not recognized on GAAP basis				(13,100,878)	
Fund balance per governmental funds (GAAP)				\$ 36,026,522	

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

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
State sources	\$ 1,347,754	\$ -362,673	\$ 985,081	\$ 903,860	(81,221)
Federal sources	1,071,115	7,954,546	9,025,661	7,735,284	(1,290,376)
Other sources	491,213	1,515,798	2,007,011	1,084,005	(923,006)
Total revenues	2,910,082	9,107,671	12,017,753	9,723,149	(2,294,603)
EXPENDITURES:					
Instruction:					
Salaries of teachers	132,359	1,379,408	1,511,767	1,230,992	280,774
Other salaries for instruction	12,817	63,619	76,436	74,238	2,198
Purchased professional services	62,402	145,441	207,843	155,570	52,274
Purchased professional - educational services	938,230	(18,559)	919,671	754,785	164,886
Other Purchased Services	1,935	(1,935)			
Tuition	3,290	2,382,641	2,385,931	2,385,931	
Supplies and materials	445,464	505,386	950,849	779,989	170,860
Textbooks	60,909	(12,215)	48,694	42,730	5,964
Other Objects	2,655	5,594	8,249	5,782	2,467
Total instruction	1,660,060	4,449,380	6,109,440	5,430,017	679,423
Support services:					
Salaries of program directors					
Salaries of Other professional staff		15,000	15,000	15,000	
Other Salaries	87,459	136,449	223,908	101,112	122,795
Personal services - employee benefits		689,684	689,684	520,694	168,990
Purchased professional services	165,435	2,181,773	2,347,208	2,050,019	297,189
Purchased professional - educational services	127,488	(6,678)	120,810	98,403	22,407
Other Purchased Services		25,796	25,796	3,000	22,796
Contracted services(other than btw home & school - Vendors	3,949	2,526	6,476	4,490	1,985
Contracted services (special ed routes) - vendors		2,478	2,478	2,296	182
Travel	114,253	61,846	176,099	135,301	40,799
Supplies and materials	422,220	(57,644)	364,576	266,363	98,213
Miscellaneous expenditures	300,600	1,566,801	1,867,401	1,014,428	852,974
Total support services	1,221,404	4,618,032	5,839,436	4,211,107	1,628,330
Facilities acquisition and construction services:					
Buildings		63	63	63	
Instructional equipment	28,618	37,970	66,587	66,458	130
Non-Instructional equipment		2,226	2,226		2,226
Total facilities acquisition and construction serv.	28,618	40,258	68,876	66,520	2,356
Total expenditures	2,910,082	9,107,671	12,017,753	9,707,644	2,310,108
Excess (deficiency) of revenues over (under) expenditures				15,505	(15,505)
Fund Balance, July 1				837,070	
Fund Balance, June 30				\$ 852,575	
<u>Analysis of Balance</u>					
Student Activities Funds				\$ 694,113	
Scholarship Funds				158,463	
				\$ 852,575	

HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RS!
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$319,396,872	\$9,723,149
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Add prior year encumbrances		2,778,631
Less current year encumbrances		(46,565)
Less prior year encumbrances cancelled		(20,000)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(13,100,878)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	10,439,764	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$316,735,758	\$12,435,216
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	\$301,207,751	\$9,707,644
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Add prior year encumbrances		2,778,631
Less current year encumbrances		(46,565)
Less prior year encumbrances cancelled		(20,000)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$301,207,751	\$12,419,711

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST TEN YEARS

	Measurement Date Ending June 30, 2023	0.2914517774%	Measurement Date Ending June 30, 2022	0.2914517774%	Measurement Date Ending June 30, 2021	0.2881590559%	Measurement Date Ending June 30, 2020	0.2839735125%	Measurement Date Ending June 30, 2019	0.2770046286%	Measurement Date Ending June 30, 2018	0.2914616700%	Measurement Date Ending June 30, 2017	0.2903429124%	Measurement Date Ending June 30, 2016	0.3033483165%	Measurement Date Ending June 30, 2015	0.2901148926%
District's proportion of the net pension liability (asset)																		
District's proportionate share of the net pension liability (asset)	\$19,396,264	\$42,310,628	\$43,984,087	\$34,134,389	\$46,308,654	\$49,912,067	\$57,387,350	\$67,387,189	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367	\$86,843,367
District's covered-employee payroll	23,721,447	22,452,410	21,886,185	21,131,337	21,019,464	20,031,559	19,590,857	20,287,601	19,844,925	19,844,925	19,844,925	19,844,925	19,844,925	19,844,925	19,844,925	19,844,925	19,844,925	19,844,925
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	165.95%	188.36%	200.97%	161.53%	220.31%	248.17%	282.83%	333.15%	452.73%	452.73%	452.73%	452.73%	452.73%	452.73%	452.73%	452.73%	452.73%	452.73%
Fund's primary 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%	40.14%	40.14%	40.14%	40.14%	40.14%	40.14%	40.14%	40.14%	40.14%

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST TEN YEARS

	Fiscal Year Ending June 30, 2025	Fiscal Year Ending June 30, 2024	Fiscal Year Ending June 30, 2023	Fiscal Year Ending June 30, 2022	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2017	Fiscal Year Ending June 30, 2016
Contractually required contribution	\$ 3,942,177	\$ 3,904,181	\$ 3,675,347	\$ 3,106,527	\$ 2,694,454	\$ 2,899,102	\$ 2,913,664	\$ 2,686,717	\$ 2,694,912	\$ 2,494,210
Contributions in relation to the contractually required contribution	3,942,177	3,904,181	3,675,347	3,106,527	2,694,454	2,899,102	2,913,664	2,686,717	2,694,912	2,494,210
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	25,373,436	23,721,447	22,462,410	21,886,185	21,131,337	21,019,464	20,031,559	19,590,657	20,267,601	19,844,925
Contributions as a percentage of covered-employee payroll	15.54%	16.46%	16.36%	16.79%	12.75%	13.79%	14.65%	13.73%	13.28%	12.57%

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS PENSION AND ANNUITY FUND
 LAST TEN YEARS

	Measurement Date Ending June 30, 2024	0.7834024461%	Measurement Date Ending June 30, 2023	0.7713424555%	Measurement Date Ending June 30, 2022	0.7531444090%	Measurement Date Ending June 30, 2021	0.7755592375%	Measurement Date Ending June 30, 2020	0.7809615082%	Measurement Date Ending June 30, 2019	0.7576567172%	Measurement Date Ending June 30, 2018	0.7920642357%	Measurement Date Ending June 30, 2017	0.7949697212%	Measurement Date Ending June 30, 2016	0.7972858278%	
District's proportion of the net pension liability (asset)	\$780,663,711		\$783,402,446		\$797,969,634		\$592,075,595		\$510,696,426		\$479,283,449		\$482,004,929		\$534,038,268		\$625,373,799		\$503,918,690
State's proportionate share of the net pension liability (asset) associated with the District	\$385,843,874		\$399,791,182		\$397,969,634		\$392,075,595		\$510,696,426		\$479,283,449		\$482,004,929		\$534,038,268		\$625,373,799		\$503,918,690
District's covered-employee payroll	97,264,771		93,422,057		90,532,002		88,721,658		84,852,660		81,857,147		82,274,742		80,182,382		78,043,603		79,890,797
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0%		0%		0%		0%		0%		0%		0%		0%		0%		0%
State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	396.69%		428.12%		439.59%		408.10%		601.86%		586.95%		585.85%		666.03%		801.31%		630.76%
Plan fiduciary net position as a percentage of the total pension liability	37.89%		34.68%		32.29%		35.52%		24.60%		26.95%		26.49%		25.41%		22.33%		28.71%

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

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30.</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2024	7.00%	7.00%	07/01/18-06/30/21
2023	7.00%	7.00%	07/01/18-06/30/21
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/14-06/30/18
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30.</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2024	7.00%	7.00%	07/01/18-06/30/21
2023	7.00%	7.00%	07/01/18-06/30/21
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/15-06/30/18
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POST-RETIREMENT BENEFITS
OTHER THAN PENSION (GASB 75)**

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN THE DISTRICT'S
 TOTAL OPEB LIABILITY AND RELATED RATIOS
 LAST EIGHT YEARS

	Measurement Date Ended June 30,							
	2024	2023	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District								
Balance at 6/30	\$459,101,173	\$441,227,526	\$520,956,931	\$594,039,193	\$364,885,924	\$412,156,727	\$482,816,104	\$522,308,236
Changes for the year:								
Service cost	17,679,247	17,395,409	22,422,702	25,744,768	13,935,449	13,548,164	15,662,557	18,915,951
Interest	17,112,111	16,168,982	11,693,016	13,514,172 (554,495)	13,084,763	16,266,463	17,656,754	15,272,477
Changes of benefit terms								
Differences between expected and actual experience	(316,263)	(4,426,471)	15,728,833	(102,000,780)	103,650,785	(71,657,025)	(46,041,619)	(62,909,302)
Changes in assumptions or other inputs	38,891,423	925,358	(118,363,243)	513,964	108,510,547	5,440,479	(47,297,047)	411,788
Membership Contributions	447,489	414,354	371,565	345,491	313,458	332,028	380,901	
Benefit payments - Net	(13,068,797)	(12,603,985)	(11,582,278)	(10,645,382)	(10,341,733)	(11,200,910)	(11,020,924)	(11,183,046)
Net changes	60,745,210	17,873,647	(79,729,405)	(73,082,262)	229,153,269	(47,270,803)	(70,659,377)	(39,492,132)
Balance at 6/30	\$519,846,383	\$459,101,173	\$441,227,526	\$520,956,931	\$594,039,193	\$364,885,924	\$412,156,727	\$482,816,104
Covered Employee Payroll	120,996,218	115,844,467	112,418,187	109,852,995	105,872,124	105,872,124	101,888,706	101,549,847
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	429.67%	396.31%	392.49%	474.23%	561.09%	344.65%	405.31%	475.45%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

HAMILTON TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>
2024	3.93%
2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

	TITLE I A	TITLE I S/A	TITLE II A	TITLE III ELE	TITLE III IMMIGRANT	TITLE IV	IDEA PART B	IDEA PRESCHOOL
REVENUES:								
State sources	\$ 2,140,127	\$ 147,164	\$ 318,861	\$ 227,540	\$ 70,605	\$ 53,271	\$ 4,016,372	\$ 277,527
Federal sources								
Local sources								
Total revenues	\$ 2,140,127	\$ 147,164	\$ 318,861	\$ 227,540	\$ 70,605	\$ 53,271	\$ 4,016,372	\$ 277,527
EXPENDITURES:								
Instruction:								
Salaries of teachers	1,099,672	27,254		30,229				
Other salaries for instruction	74,238							
Purchased professional - technical services	97,500	10,021		42,964	1,802	5,065		
Purchased professional - educational services	155,576						2,385,931	64,419
Tuition				51,029	31,566	30,487	198,207	
Supplies and materials	65,169	8,503						
Textbooks								
Other Objects	2,619							
Total instruction	1,494,774	45,778		124,222	33,368	35,572	2,584,137	64,419
Support services:								
Salaries of Other professional staff							15,000	
Other Salaries	57,499	15,402		21,175	6,088			
Personal services - employee benefits	520,694							
Purchased professional services	17,135	78,725	211,135	72,651	28,370	17,699	1,417,234	128,091
Other Purchased Services								
Contracted Services:								
(other than bkw home & school - Vendors	2,296							
(special ed routes) - vendors	29,395	6,779	86,980	9,367	2,780			
Travel	18,335	461	20,747	125				
Supplies and materials								
Miscellaneous								
Total support services	645,353	101,387	318,861	103,318	37,238	17,699	1,432,234	213,108
Facilities acquisition and construction serv:								
Buildings								
Instructional equipment								
Total facilities acquisition and construction serv.								
Total expenditures	\$ 2,140,127	\$ 147,164	\$ 318,861	\$ 227,540	\$ 70,605	\$ 53,271	\$ 4,016,372	\$ 277,527
Excess (Deficiency) of Revenues								
Over (Under) Expenditures								
Fund Balance, July 1								
Fund Balance, June 30								

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

	ARP LESSER	ARP LESSER LEARNING ACCELERATION	NON-PUBLIC TEXTBOOKS	COMPENSATORY EDUCATION	NON-PUBLIC NJ CH 192 ENGLISH AS SECOND LANGUAGE	TRANSPORTATION	SUPPLEMENTAL INSTRUCTION	NON-PUBLIC NJ CH 193 EXAMINATION AND CLASSIFICATION	CORRECTIVE SPEECH
REVENUES:									
State sources	\$ 415,184	88,632	42,730	207,206	9,535	2,571	104,902	124,930	87,513
Federal sources									
Local sources									
Total revenues	\$ 415,184	\$ 88,632	\$ 42,730	\$ 207,206	\$ 9,535	\$ 2,571	\$ 104,902	\$ 124,930	\$ 87,513
EXPENDITURES:									
Instruction:									
Salaries of teachers	6,156	67,662							
Other salaries for instruction									
Purchased professional - technical services									
Purchased professional - educational services	59,546			207,206	9,535	2,571	104,902	124,930	87,513
Tuition	270,441		42,730						
Supplies and materials									
Textbooks									
Other Objects									
Total instruction	336,143	67,662	42,730	207,206	9,535	2,571	104,902	124,930	87,513
Support services:									
Salaries of Other professional staff									
Other Salaries									
Personal services - employee benefits									
Purchased professional services	78,979								
Purchased professional - educational services									
Other Purchased Services									
Contracted Services:									
(other than b1w home & school - Vendors (special ed routes) - vendors									
Travel									
Supplies and materials									
Miscellaneous									
Total support services	78,979	950							
Facilities acquisition and construction serv:									
Buildings	63								
Instructional equipment	63								
Total facilities acquisition and construction serv.	126								
Total expenditures	\$ 415,184	\$ 68,632	\$ 42,730	\$ 207,206	\$ 9,535	\$ 2,571	\$ 104,902	\$ 124,930	\$ 87,513
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fund Balance, July 1									
Fund Balance, June 30									

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

	NONPUBLIC NURSING	NONPUBLIC TECHNOLOGY	NONPUBLIC SECURITY AID	STUDENT ACTIVITIES	SCHOLARSHIPS	OTHER LOCAL	TOTAL
REVENUES:							
State sources	\$ 98,403	\$ 43,623	\$ 182,448	\$ 1,025,690	\$ 3,594	\$ 54,721	\$ 903,860
Federal sources							7,735,284
Local sources							1,084,005
Total revenues	\$ 98,403	\$ 43,623	\$ 182,448	\$ 1,025,690	\$ 3,594	\$ 54,721	\$ 9,723,149
EXPENDITURES							
Instruction:							
Salaries of teachers							\$ 1,230,992
Other salaries for instruction							74,238
Purchased professional - technical services							155,570
Purchased professional - educational services							754,785
Tuition		22,954				1,205	2,385,931
Supplies and materials						37,215	779,989
Textbooks							42,730
Other Objects						3,163	5,782
Total instruction		\$ 22,954				\$ 41,582	\$ 5,430,017
Support services:							
Salaries of Other professional staff							15,000
Other Salaries							101,112
Personal services - employee benefits							520,694
Purchased professional services	98,403						2,050,019
Purchased professional - educational services							98,403
Other Purchased Services						3,000	3,000
Contracted Services:							
(other than b/w home & school - Vendors							4,490
(special ed routes) - vendors							2,296
Travel							135,301
Supplies and materials			141,658				266,363
Miscellaneous				993,524	20,255	648	1,014,426
Total support services	\$ 98,403		\$ 141,658	\$ 993,524	\$ 20,255	\$ 8,138	\$ 4,211,107
Facilities acquisition and construction serv:							
Buildings							63
Instructional equipment		20,669	40,789			5,000	66,458
Total facilities acquisition and construction serv:		\$ 20,669	\$ 40,789			\$ 5,000	\$ 66,520
Total expenditures	\$ 98,403	\$ 43,623	\$ 182,448	\$ 993,524	\$ 20,255	\$ 54,721	\$ 9,707,644
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	\$	\$	\$	\$ 32,166	\$ (16,661)	\$	\$ 15,505
Fund Balance July 1				\$ 661,947	\$ 175,124	\$	\$ 837,070
Fund Balance June 30	\$	\$	\$	\$ 694,113	\$ 158,463	\$	\$ 852,575

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STATISTICAL SECTION - UNAUDITED

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (ACFR) for the relevant year.

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Revenues:		
State sources	\$	(3,002,956)
Interest		8,245
		<u> </u>
Total revenues		<u>(2,994,711)</u>
Expenditures and Other Financing Uses:		
Architectural Services		414,200
Equipment		3,264,545
Construction services		12,716,233
		<u> </u>
Total expenditures		<u>16,394,978</u>
Excess (deficiency) of revenues over (under) expenditures		(19,389,690)
Other financing sources (uses):		
Transfer out		(4,883,009)
Proceeds of Installment purchase contract		4,135,000
		<u> </u>
Total other financing sources (uses)		(748,009)
Net change in fund balance		(20,137,699)
Fund balance - beginning		<u>24,134,202</u>
Fund balance - ending	\$	<u><u>3,996,503</u></u>
Fund Balance - budgetary basis	\$	3,996,503
Current Year Encumbrances		6,235,250
Less: ROD Grants not recognized under GAAP		(2,659,407)
		<u> </u>
Fund Balance - GAAP basis (B-1)	\$	<u><u>7,572,347</u></u>
Expenditures - budgetary basis	\$	16,394,978
Add: prior year encumbrances		540,989
		<u> </u>
		16,935,968
Less:		
Current year encumbrances		6,235,250
		<u> </u>
Expenditures - GAAP basis (B-2)	\$	<u><u>10,700,717</u></u>

HAMILTON TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 2018 REFERENDUM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond proceeds	\$55,393,000.00	(\$377,400.00)	\$55,015,600.00	\$55,015,600.00
Total reserve	55,393,000.00	(377,400.00)	55,015,600.00	55,015,600.00
Expenditures and Other Financing Uses:				
Architectural Services	\$ 3,683,565	\$	3,683,565	3,683,565
Purchased professional and technical services	1,165,715		1,165,715	1,165,715
Construction Services	50,165,225		50,165,225	50,165,225
Miscellaneous Expenditures	1,095		1,095	1,095
Total expenditures	55,015,600.00	-	55,015,600.00	55,015,600.00
Excess (deficiency) of revenues over (under) expenditures	\$ 377,400.00	\$(377,400)	\$ 0	\$ -

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	9/26/2017
Bonds Authorized	\$55,393,658
Bonds Issued	\$55,393,000
Original Authorized Cost	\$55,393,000
Additional Authorized Cost	(377,400)
Revised Authorized Cost	\$55,015,600
Percentage of Original Authorized Cost	100.00%
Percentage completion	100.00%
Original target completion date	FY2020
Revised target completion date	FY2021

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS CAPITAL EQUIPMENT INSTALLMENT PURCHASES - FY2023
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Expenditures and Other Financing Uses:				
Equipment	2,653,408	137,362	2,790,770	2,800,000
Total expenditures and other financing uses	2,653,408	137,362	2,790,770	2,800,000
Other financing sources				
Installment purchase contract proceeds	2,800,000		2,800,000	2,800,000
Other financing sources	2,800,000		2,800,000	2,800,000
Excess (deficiency) of revenues over (under) expenditures	\$ 146,592	\$ (137,362)	\$ 9,230	

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,800,000
Additional Authorized Cost	-
Revised Authorized Cost	\$2,800,000
Percentage of Original Authorized Cost	100.00%
Percentage completion	99.67%
Original target completion date	FY2022
Revised target completion date	FY2023

HAMILTON TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 VARIOUS CAPITAL EQUIPMENT INSTALLMENT PURCHASES - FY2024
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Expenditures and Other Financing Uses:				
Equipment	1,705,228	34,684	1,739,912	1,740,000
Total expenditures and other financing uses	1,705,228	34,684	1,739,912	1,740,000
Other financing sources				
Installment purchase contract proceeds	1,740,000		1,740,000	1,740,000
Other financing sources	1,740,000		1,740,000	1,740,000
Excess (deficiency) of revenues over (under) expenditures	\$ 34,772	\$ (34,684)	\$ 88	

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$1,740,000
Additional Authorized Cost	-0-
Revised Authorized Cost	\$1,740,000
Percentage of Original Authorized Cost	100.00%
Percentage completion	0.01%
Original target completion date	FY2025
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
STEINERT HIGH SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
ROD Grant	\$ 2,511,900.00	\$ (1,238,888)	\$ 1,273,012	1,273,012
Transfer from capital reserve	3,767,850.00	(1,856,332)	1,909,518	1,909,518
Total reserve	6,279,750.00	(3,097,221)	3,182,529.45	3,182,529.45
Expenditures and Other Financing Uses:				
Architectural Services	\$ 181,958	\$ 45,200	\$ 227,158	227,158
Construction Services		2,455,371	2,455,371	2,955,371
Total expenditures	181,958.00	2,500,571	2,682,529	3,182,529
Excess (deficiency) of revenues over (under) expenditures	\$ 6,097,792.00	\$ (5,597,792)	\$ 500,000	\$ -

Additional project information:

Project Number	G5-6605
Grant Date	4/25/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$6,279,750
Additional Authorized Cost	(3,097,221)
Revised Authorized Cost	\$3,182,529
Percentage of Original Authorized Cost	100.00%
Percentage completion	84.29%
Original target completion date	FY2025
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
NOTTINGHAM HIGH SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
ROD Grant	\$ 2,407,796	\$ (667,644)	\$ 1,740,152	1,740,152
Transfer from capital reserve	3,611,694	(1,001,466)	2,610,228	2,610,228
Total reserve	6,019,490	(1,669,109)	4,350,381	4,350,381
Expenditures and Other Financing Uses:				
Architectural Services	\$ 217,906	\$ 45,200	\$ 263,106	263,106
Construction Services		3,587,275	3,587,275	4,087,275
Total expenditures	217,906.00	3,632,475	3,850,381	4,350,381
Excess (deficiency) of revenues over (under) expenditures	\$ 5,801,584.00	\$ (5,301,584)	\$ 500,000	-

Additional project information:

Project Number	G5-6606
Grant Date	4/25/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$6,019,490
Additional Authorized Cost	(1,669,109)
Revised Authorized Cost	\$4,350,381
Percentage of Original Authorized Cost	100.00%
Percentage completion	88.51%
Original target completion date	FY2025
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
HAMILTON WEST HIGH SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
ROD Grant	\$ 2,500,900	\$ (1,096,424)	\$ 1,404,476	\$ 1,404,476
Transfer from capital reserve	<u>3,751,350</u>	<u>(1,644,636)</u>	<u>2,106,714</u>	<u>2,106,714</u>
Total reserve	<u>6,252,250</u>	<u>(2,741,060)</u>	<u>3,511,190</u>	<u>3,511,190</u>
Expenditures and Other Financing Uses:				
Architectural Services	\$ 181,286	\$ 45,200	\$ 226,486	\$ 226,486
Construction Services	<u>2,784,704</u>	<u>2,784,704</u>	<u>2,784,704</u>	<u>3,284,704</u>
Total expenditures	<u>181,286.00</u>	<u>2,829,904</u>	<u>3,011,190</u>	<u>3,511,190</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 6,070,964.00</u>	<u>\$ (5,570,964)</u>	<u>\$ 500,000</u>	

Additional project information:

Project Number	G5-6606
Grant Date	4/25/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$6,252,250
Additional Authorized Cost	(2,741,060)
Revised Authorized Cost	\$3,511,190
Percentage of Original Authorized Cost	100.00%
Percentage completion	85.76%
Original target completion date	FY2025
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LAWLOR ELEMENTARY SCHOOL MECHANICAL AND ELECTRICAL UPGRADES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
ROD Grant	\$ 2,214,480	\$	2,214,480	\$ 2,214,480
Transfer from capital reserve	<u>3,321,720</u>		<u>3,321,720</u>	<u>3,321,720</u>
Total reserve	<u>5,536,200</u>		<u>5,536,200</u>	<u>5,536,200</u>
Expenditures and Other Financing Uses:				
Architectural Services	\$	278,600	278,600	\$ 278,600
Construction Services		<u>3,888,883</u>	<u>3,888,883</u>	<u>5,536,200</u>
Total expenditures		<u>4,167,483</u>	<u>4,167,483</u>	<u>5,536,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 5,536,200</u>	<u>(4,167,483)</u>	<u>1,368,717</u>	<u>\$ -</u>

Additional project information:

Project Number	G5-6605
Grant Date	4/25/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$5,536,200
Additional Authorized Cost	-0-
Revised Authorized Cost	\$5,536,200
Percentage of Original Authorized Cost	100.00%
Percentage completion	0%
Original target completion date	FY2025
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS CAPITAL EQUIPMENT INSTALLMENT PURCHASES - FY2024-25
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Expenditures and Other Financing Uses:				
Equipment	\$	1,624,342 \$	1,624,342 \$	2,050,000
Total expenditures and other financing uses		1,624,342	1,624,342	2,050,000
Other financing sources				
Installment purchase contract proceeds		2,050,000	2,050,000	2,050,000
Other financing sources		2,050,000	2,050,000	2,050,000
Excess (deficiency) of revenues over (under) expenditures	\$	425,658 \$	425,658 \$	

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,050,000
Additional Authorized Cost	-
Revised Authorized Cost	\$2,050,000
Percentage of Original Authorized Cost	100.00%
Percentage completion	26.20%
Original target completion date	FY2026
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS CAPITAL EQUIPMENT INSTALLMENT PURCHASES - FY2025
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Expenditures and Other Financing Uses:				
Equipment	\$	1,468,157 \$	1,468,157 \$	2,085,000
Total expenditures and other financing uses		1,468,157	1,468,157	2,085,000
Other financing sources				
Installment purchase contract proceeds		2,085,000	2,085,000	2,085,000
Other financing sources		2,085,000	2,085,000	2,085,000
Excess (deficiency) of revenues over (under) expenditures	\$	616,843 \$	616,843 \$	

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,085,000
Additional Authorized Cost	-0-
Revised Authorized Cost	\$2,085,000
Percentage of Original Authorized Cost	100.00%
Percentage completion	42.01%
Original target completion date	FY2026
Revised target completion date	N/A

HAMILTON TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
 AS OF JUNE 30, 2025

ISSUE/PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		(MEMO ONLY) UNEXPENDED PROJECT BALANCE
			PRIOR YEAR	CURRENT YEAR	
2018 Referendum	9/26/2017	55,015,600	55,015,600		
Various Installment Purchase Contracts - FY2023	5/12/2022	2,800,000	2,653,408	137,362	9,230
Various Installment Purchase Contracts - FY2024		1,740,000	1,705,228	34,684	88
FY2024 ROD Grant Projects:					
Steinert High School Partial Roof Replacement	4/25/2024	3,182,529	181,958	2,500,571	500,000
Nottingham High School Partial Roof Replacement	4/25/2024	4,350,381	217,906	3,632,475	500,000
Hamilton West High School Partial Roof Replacement	4/25/2024	3,511,190	181,286	2,829,904	500,000
Lawlor Elementary School Mechanical And Electrical Upgrades	4/25/2024	5,536,200		4,167,483	1,368,717
Various Installment Purchase Contracts - FY2024-25	8/8/2024	2,050,000		1,624,342	425,658
Various Installment Purchase Contracts - FY2025	6/26/2025	2,085,000		1,468,157	616,843
Totals		80,270,900	59,955,386	16,394,978	3,920,536

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

FOOD SERVICES FUND: This fund provides for the operation of Food services within the school district.

SUMMER CAMP FUND: This fund provides for the operation of Summer Camp services within the school district.

INTERNAL SERVICE FUNDS: This funds accounts for the activity of the District's self-insurance workers' compensation claims activity

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - ENTERPRISE FUNDS
AS OF JUNE 30, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	SUMMER CAMP	TOTAL
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 1,068,843	\$ 275,075	\$ 1,343,917
Accounts receivable:			
State	15,829		15,829
Federal	249,420		249,420
Other	227,119		227,119
Inventories	135,946		135,946
Total current assets	1,697,156	275,075	1,972,231
Noncurrent assets:			
Furniture, machinery & equipment	2,480,673		2,480,673
Less accumulated depreciation	(749,588)		(749,588)
Total noncurrent assets	1,731,085		1,731,085
Total assets	3,428,241	275,075	3,703,316
LIABILITIES:			
Current liabilities:			
Accounts payable	8,527	2,777	11,303
Unearned revenue	70,983	165,605	236,588
Total liabilities	79,510	168,381	247,891
NET POSITION:			
Net investment in capital assets	1,731,085		1,731,085
Unrestricted	1,617,647	106,694	1,724,340
Total net position	\$ 3,348,731	\$ 106,694	\$ 3,455,425

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	SUMMER CAMP	TOTAL
OPERATING REVENUES:			
Charges for services:			
Daily sales - reimbursable programs	\$ 590,937	\$	590,937
Daily sales - non-reimbursable programs	215,247		215,247
Fees		161,604	161,604
Other income	44,513		44,513
Total operating revenues	850,697	161,604	1,012,300
OPERATING EXPENSES:			
Salaries	1,779,151	86,947	1,866,098
Employee benefits	597,910		597,910
Management and consultant fees	294,311		294,311
Other Purchased Services	31,141		31,141
Supplies and materials	54,795	9,250	64,045
Equipment	6,889		6,889
Depreciation	116,560		116,560
Miscellaneous	39,509	1,213	40,722
Cost of sales - reimbursable	2,696,604		2,696,604
Cost of sales - non-reimbursable	162,520		162,520
Total operating expenses	5,779,390	97,410	5,876,800
Operating income (loss)	(4,928,694)	64,194	(4,864,500)
Nonoperating Revenues (Expenses):			
State sources			
State school lunch program	104,318		104,318
State school breakfast program	8,280		8,280
NJEIE school lunch program	89,004		89,004
NJEIE school breakfast program	19,300		19,300
After the bell	29,470		29,470
Federal sources:			
National school lunch program	3,225,736		3,225,736
National School Lunch Program- HHFKA	88,259		88,259
National school breakfast program	673,152		673,152
Fresh Fruit and Vegetable	35,550		35,550
P-EBT Administrative Cost	5,904		5,904
Local Food for Schools Cooperative	18,516		18,516
Food Distribution Program	402,451		402,451
Interest & Investment Revenue	49,787		49,787
Miscellaneous - Cancelled Accounts Payable	2,010		2,010
Total nonoperating revenues (expenses)	4,751,737		4,751,737
Change in net position	(176,957)	64,194	(112,763)
Total net position - beginning	3,525,688	42,500	3,568,188
Total net position - ending	\$ 3,348,731	\$ 106,694	\$ 3,455,425

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	SUMMER CAMP	TOTAL
Cash flows from operating activities:			
Receipts from customers, net	\$ 923,833	\$ 178,025	\$ 1,101,858
Cash Payments to Vendors for Goods & Services	(3,230,086)	(8,059)	(3,238,145)
Cash Payments for Employees' Salaries & Benefits	(2,377,062)	(86,764)	(2,463,826)
Net cash provided by (used for) operating activities	(4,683,315)	83,202	(4,600,113)
Cash flows from noncapital financing activities:			
Cash Received from State & Federal Sources	148,894		148,894
Operating subsidies and transfers to other funds	4,246,739		4,246,739
Net cash provided by noncapital financing activities	4,395,633	-	4,395,633
Cash flows from capital and related financing activities:			
Acquisition of Capital Assets	(147,340)		(147,340)
Net cash provided by (used for) capital and related financing activities	(147,340)	-	(147,340)
Cash Flows From Investing Activities:			
Interest on Deposits	49,787		49,787
Net Cash Provided/(Used) by Investing Activities	49,787	-	49,787
Net increase (decrease) in cash and cash equivalents	(385,235)	83,202	(302,033)
Balances - Beginning of Year	1,454,077	191,873	1,645,950
Balances - End of Year	\$ 1,068,843	\$ 275,075	\$ 1,343,917
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (4,928,694)	\$ 64,194	\$ (4,864,500)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and Amortization	116,560	-	116,560
Federal commodities	402,451	-	402,451
(Increase) decrease in inventories	(113,276)		(113,276)
(Increase) decrease in other accounts receivable	71,695		71,695
Increase (decrease) in accounts payable for operating purposes	(246,767)	2,587	(244,180)
Increase (decrease) in unearned revenue	14,716	16,421	31,137
Total Adjustments	245,379	19,008	264,387
Net cash provided by (used for) operating activities	\$ (4,683,315)	\$ 83,202	\$ (4,600,113)

EXHIBIT "G-4"

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
JUNE 30, 2025

	<u>GOVERNMENTAL ACTIVITIES</u>	
	<u>INTERNAL SERVICE FUND</u>	
	<u>WORKERS'</u>	
	<u>COMPENSATION FUND</u>	
ASSETS:		
Current assets:		
Cash and cash equivalents	\$	966,542
Total current assets		<u>966,542</u>
Total assets		<u>966,542</u>
LIABILITIES:		
Interfund payable		819,928
Claims payable		<u>146,613</u>
Total liabilities	\$	<u>966,542</u>
NET POSITION:		
Unrestricted		<u> </u>
Total net position		<u><u> -</u></u>

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

		<u>GOVERNMENTAL ACTIVITIES</u> <u>INTERNAL SERVICE FUND</u> <u>WORKERS'</u> <u>COMPENSATION FUND</u>
Other financing sources (uses):		
Prior Year Claims	\$	10,618
Transfers out		(10,618)
		-
Total other financing sources (uses)		-
Net change in net position		-
Total net position - beginning		-
Total net position - ending		-

EXHIBIT "G-6"

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

GOVERNMENTAL ACTIVITIES
INTERNAL SERVICE FUND
WORKERS'
COMPENSATION FUND

Cash flows from operating activities:		
Cash Payments for Employee Benefits - Net	\$	1,975
Net cash provided by (used for) operating activities		1,975
Cash flows from noncapital financing activities:		
Operating subsidies and transfers to other funds		(10,618)
Net cash provided by noncapital financing activities		(10,618)
Net increase (decrease) in cash and cash equivalents		(8,642)
Balances - Beginning of Year		975,184
Balances - End of Year	\$	966,542
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)		-
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:		
(Increase) decrease in claims payable	\$	1,975
Total Adjustments		1,975
Net cash provided by (used for) operating activities	\$	1,975

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LONG-TERM LIABILITIES SCHEDULES

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds, Leases, Installment Purchase Contracts and Subscription-Based Information Technology Arrangements

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

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		RATE OF INTEREST	BALANCE JUNE 30, 2024	RETIRED	BALANCE JUNE 30, 2025
			DATE	AMOUNT				
School District Refunding Bonds Series 2012	12/4/2012	\$ 28,275,000		\$		\$ 3,200,000	\$ 3,200,000	
School Bonds, 2017	12/28/2017	55,393,000	12/15/25	1,905,000	3.00%			
			12/15/26	2,020,000	3.00%			
			12/15/27	2,020,000	3.00%			
			12/15/28	2,020,000	3.00%			
			12/15/29	2,020,000	3.00%			
			12/15/30	2,020,000	3.00%			
			12/15/31	2,020,000	3.00%			
			12/15/32	2,020,000	3.00%			
			12/15/33	2,020,000	3.00%			
			12/15/34	2,020,000	3.00%			
			12/15/35	2,040,000	3.125%			
			12/15/36	2,040,000	3.125%			
			12/15/37	2,040,000	3.125%			
			12/15/38	2,040,000	3.250%			
			12/15/39	2,040,000	3.250%			
			12/15/40	2,040,000	3.250%			
			12/15/41	2,050,000	3.250%			
			12/15/42	2,050,000	3.375%			
			12/15/43	2,050,000	3.375%			
			12/15/44	2,060,000	3.375%			
			12/15/45	2,060,000	4.000%			
			12/15/46	2,060,000	4.000%			
			12/15/47	2,060,000	4.000%			
Total						\$ 48,580,000	1,865,000	46,715,000
						\$ 51,780,000	5,065,000	46,715,000

HAMILTON TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER LEASES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

PURPOSE	TERM OF LEASE (MONTHS)	AMOUNT OF ORIGINAL LEASE	INTEREST RATE PAYABLE	BALANCE JUNE 30, 2024	ISSUED	RETIRED	BALANCE JUNE 30, 2025
AltaLink C8170H2 - 1	60	\$ 12,276	4.52%	\$ 3,216	\$	3,216	\$
AltaLink C8170H2 - 2	60	63,331	4.95%	16,145		16,145	
AltaLink C8170H2 - 3	60	60,906	4.52%	24,864		12,157	12,707
AltaLink C8170H2 - 4	60	74,673	2.36%	48,212		14,839	33,373
PrimeLink C9070 Copier	60	30,572	2.68%	22,765		5,989	16,776
Xerox Work Centre 5755	60	16,400	2.68%	11,946		3,220	8,726
Premises - 2445 Kuser Road	60	461,451	0.57%	185,322		95,382	89,940
EC702 - Xerox Copiers	60	102,246.00	2.74%	80,678		19,360	61,318
Xerox Contract 1 2024	60	148,152.00	2.99%		148,152		148,152
				\$ 393,149	\$ 148,152	\$ 170,308	\$ 370,992

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

	<u>BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 5,155,038	\$	\$ 5,155,038	\$ 5,155,038	
State sources:					
Debt service aid type II	<u>1,158,495</u>		<u>1,158,495</u>	<u>1,158,495</u>	
Total revenues	<u>6,313,533</u>		<u>6,313,533</u>	<u>6,313,533</u>	
EXPENDITURES:					
Regular debt service:					
Interest Payments Bonds	1,584,400		1,584,400	1,584,400	
Redemption of Bond Principal	<u>5,065,000</u>		<u>5,065,000</u>	<u>5,065,000</u>	
Total regular debt service-expenditures	<u>6,649,400</u>		<u>6,649,400</u>	<u>6,649,400</u>	
Excess (deficiency) of revenues over (under) expenditures	(335,867)		(335,867)	(335,867)	
Other financing sources:					
Transfers In				<u>378,576</u>	<u>378,576</u>
Total other financing sources:				<u>378,576</u>	<u>378,576</u>
Net change in fund balances	(335,867)		(335,867)	42,709	378,576
Fund balance, July 1	<u>358,143</u>		<u>358,143</u>	<u>358,143</u>	
Fund balance, June 30	<u>\$ 22,276</u>	<u>\$</u>	<u>\$ 22,276</u>	<u>\$ 400,851</u>	<u>\$ 378,576</u>

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF OBLIGATIONS UNDER INSTALLMENT PURCHASE CONTRACTS
 AS OF JUNE 30, 2025

SERIES	DATE OF ISSUE	AMOUNT OF ISSUE	INTEREST RATE	AMOUNT		ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2025
				OUTSTANDING JUNE 30, 2024	ISSUED			
2015 ESIP	2/3/2015	18,962,000	2.710%	\$ 12,030,193	\$		835,913	\$ 11,194,280
Technology and Equipment - FY2020	7/18/2019	2,200,000	2.022%	1,125,780			220,648	905,132
Technology, Furniture and Equipment - FY2021	7/31/2020	2,300,000	1.006%	466,339			466,338	0
Technology and Equipment - FY2022	5/26/2021	1,510,000	1.110%	611,027			303,827	307,200
Technology, Furniture and Equipment - FY2023	5/12/2022	2,800,000	2.460%	1,703,782			554,183	1,149,599
Technology and Equipment - FY2024	7/27/2023	1,740,000	4.230%	1,384,679			324,963	1,059,716
Technology and Equipment - FY2024-25	8/8/2024	2,050,000	4.440%		2,050,000		421,255	1,628,745
Technology and Equipment - FY2025	6/26/2025	2,085,000	3.890%		2,085,000			2,085,000
Total				\$ 17,321,799	\$ 4,135,000		3,127,128	\$ 18,329,671

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF OBLIGATIONS UNDER SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS
 AS OF JUNE 30, 2025

SERIES	DATE OF ISSUE	AMOUNT OF ISSUE	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2024	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2025
EMS Ling Subscription	07/01/2022	155,948	2.184%	51,974 \$	51,974 \$	
Google Workspace for Education Plus	07/19/2023	131,952	2.901%	91,725	43,879	47,846
License & Employee Portal Check Stub Upload	07/01/2022	294,275	2.184%	101,620	101,620	
Annual Hosting and Backup	07/01/2022	50,577	2.184%	17,697	17,697	
	Total			263,016 \$	215,170 \$	47,846

HAMILTON OF TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	\$91,362,681	\$85,557,081	\$59,360,205	\$49,926,727	\$41,991,352	\$27,133,967	\$33,955,889	\$31,447,415	\$26,309,244	\$22,531,140
Restricted	32,257,674	10,972,347	20,029,281	18,024,418	16,719,085	7,995,235	8,661,032	8,387,173	11,085,767	10,696,362
Unrestricted (deficit)	(40,181,462)	(41,578,579)	(46,348,946)	(54,386,835)	(61,722,899)	(59,245,450)	(65,637,942)	(62,061,242)	(59,384,965)	(48,035,273)
Total governmental activities net position	\$83,438,893	\$54,950,849	\$33,040,540	\$13,564,310	\$(3,012,452)	\$(24,116,248)	\$(23,021,021)	\$(22,226,654)	\$(21,989,954)	\$(14,807,771)
Business-type activities										
Net investment in capital assets	1,731,085	1,447,081	906,612	626,566	400,018	451,919	301,726	316,162	351,401	300,002
Unrestricted	1,724,340	1,867,884	2,404,075	2,181,878	1,273,242	1,159,390	972,073	1,130,048	982,351	1,029,015
Total business-type activities net position	3,455,425	3,314,965	3,310,687	2,808,444	1,673,260	1,611,309	1,273,799	1,446,210	1,333,752	1,329,017
District-wide										
Net investment in capital assets	93,093,766	87,004,162	60,266,817	50,553,293	42,391,370	27,585,886	34,257,615	31,763,577	26,660,645	22,831,142
Restricted	32,257,674	10,972,347	20,029,281	18,024,418	16,719,085	7,995,235	8,661,032	8,387,173	11,085,767	10,696,362
Unrestricted (deficit)	(36,457,122)	(39,710,695)	(43,944,872)	(52,204,957)	(60,449,657)	(58,086,060)	(64,665,869)	(60,931,194)	(58,402,614)	(47,009,259)
Total district net position	\$86,894,318	\$58,265,814	\$36,351,227	\$16,372,754	\$(1,339,192)	\$(22,504,939)	\$(21,747,222)	\$(20,780,444)	\$(20,656,202)	\$(13,478,754)

Source: ACFR Schedule A-1

HAMILTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EXPENSES										
Governmental activities										
Instruction:										
Regular	90,963,605	88,401,449	88,964,203	91,119,792	100,712,642	91,220,855	94,899,215	105,764,753	103,361,987	92,709,459
Special	59,665,265	56,510,993	53,824,064	52,674,961	57,276,540	49,983,080	48,816,944	45,435,850	45,486,646	41,453,048
Other Instruction	12,444,207	11,568,968	10,813,516	11,347,107	12,067,105	11,191,219	10,623,478	11,678,503	10,874,967	9,480,370
Support services:										
Tuition										
Student and instruction related services	40,565,184	39,978,531	38,113,574	38,998,283	40,940,638	35,727,122	38,113,679	41,430,668	39,662,020	34,635,285
School administrative services	18,087,065	17,723,020	16,967,024	16,735,356	17,481,740	14,476,399	15,492,005	16,415,653	16,062,104	13,880,742
General and business administrative services	6,184,621	6,147,787	5,123,395	4,624,286	6,578,077	7,035,330	7,580,348	8,681,973	7,509,331	6,440,639
Plant operations and maintenance	24,829,146	22,128,821	14,337,471	14,696,784	19,227,929	17,644,151	19,750,550	21,912,193	24,085,418	21,546,995
Pupil transportation	19,998,786	18,770,240	17,190,953	13,692,521	10,142,259	10,295,866	13,564,981	11,609,635	11,198,763	9,800,436
Unallocated Employee Benefits										4,507
Special Schools										153,449
Interest on Long-Term Debt	1,555,891	1,894,918	1,945,769	2,197,060	2,242,322	2,418,381	3,543,291	1,893,942	1,243,324	1,200,529
Unallocated Compensated Absences										
Unallocated depreciation	4,718,844	2,279,442	5,010,839	4,354,392	4,352,225	4,140,357	3,453,312	4,460,254	3,521,532	3,547,862
Total governmental activities expenses	281,012,615	265,424,168	252,890,810	250,400,542	271,011,477	244,132,760	255,847,805	269,283,424	263,006,093	234,855,342
Business-type activities:										
Food Service	5,779,390	5,143,550	4,368,124	5,119,281	2,620,409	3,246,681	3,640,981	3,233,503	3,236,226	3,057,843
Summer Camp	97,410	5,314								
Total business-type activities expense	5,876,800	5,148,865	4,368,124	5,119,281	2,620,409	3,246,681	3,640,981	3,233,503	3,236,226	3,057,843
Total district expenses	286,889,415	270,573,033	257,258,934	255,519,822	273,631,886	247,379,441	259,488,786	272,516,927	266,242,319	237,913,185
PROGRAM REVENUES										
Governmental activities:										
Grants and contributions	35,795,624	41,435,748	42,830,248	54,087,970	77,282,153	49,734,052	59,630,374	78,330,202	68,389,102	52,512,774
Charges for Services	1,025,690	1,021,484	908,889	616,658	214,927					
Interest on Long-Term Debt										
Total governmental activities program revenues	36,821,315	42,457,232	43,739,136	54,704,628	77,507,080	49,734,052	59,630,374	78,330,202	68,389,102	52,512,774

HAMILTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
PROGRAM REVENUES										
Business-type activities:										
Charges for services	\$850,697	\$1,096,064	\$1,002,203	\$75,437	\$11,764	\$807,580	\$1,068,626	\$954,345	\$864,848	\$901,625
Food Service	161,604	\$47,814								
Summer Camp	4,749,727	3,844,606	3,485,835	6,152,300	2,669,773	2,678,518	2,375,741	2,381,049	2,370,372	2,339,220
Operating grants and contributions	5,762,027	4,983,485	4,488,038	6,227,737	2,681,537	3,486,098	3,444,367	3,335,394	3,235,220	3,240,845
Total business-type activities program revenues	42,583,342	47,445,717	48,227,174	60,932,364	80,188,617	53,220,150	63,074,741	81,665,596	71,624,322	55,753,619
Total district program revenues										
NET (EXPENSE) REVENUE										
Governmental activities	(244,191,301)	(222,966,936)	(209,151,674)	(195,695,914)	(193,504,397)	(194,398,708)	(196,217,432)	(190,953,222)	(194,916,991)	(182,342,568)
Business-type activities	(114,773)	(160,380)	119,914	1,108,456	61,128	239,417	(196,614)	101,891	(1,006)	183,002
Total district-wide net expense	(244,306,073)	(223,127,316)	(209,031,760)	(194,587,458)	(193,443,269)	(194,159,291)	(196,414,045)	(190,851,331)	(194,617,997)	(182,159,566)
GENERAL REVENUES AND OTHER CHANGES										
IN NET POSITION										
Governmental activities:										
Property taxes levied for general purposes, net	127,372,170	123,260,532	120,438,532	118,541,862	116,801,519	113,961,826	110,834,993	108,661,758	106,214,572	102,609,694
Taxes levied for debt service	5,165,038	5,070,912	5,063,014	6,479,871	6,911,904	6,702,070	6,758,825	4,813,936	4,951,045	4,933,368
Unrestricted Grants and Contributions	129,337,097	108,724,655	94,735,760	82,580,766	76,344,925	75,262,389	74,579,618	74,495,125	74,372,884	74,016,975
Restricted Grants and Contributions	7,333,244	5,734,042	5,976,285	2,228,921	667,781	667,297	504,998	226,360	119,253	209,103
Tuition Received	3,490,273	2,144,767	2,385,757	2,441,237	2,479,098	4,911,011	2,744,631	2,814,923	1,647,104	2,451,537
Miscellaneous Income								(45,207)	(11,488)	
Special Item(s)								(250,371)		
Prior Year Accounts Receivable Cancelled								190,716,524	187,293,370	184,220,677
Total governmental activities	272,687,823	244,934,907	228,599,349	212,272,677	203,205,227	201,504,593	195,423,065	190,716,524	187,293,370	184,220,677
Business-type activities:										
Miscellaneous Income	2,010	382,330	382,330	26,728		98,093	24,203	10,567	5,741	8,248
Total business-type activities	2,010	382,330	382,330	26,728		98,093	24,203	10,567	5,741	8,248
Total district-wide	272,689,833	244,934,907	228,981,679	212,299,405	203,205,227	201,602,686	195,447,268	190,727,091	187,299,111	184,228,925
CHANGE IN NET POSITION										
Governmental activities	28,496,522	21,967,971	19,447,675	16,576,763	9,700,830	7,105,885	(794,367)	(236,698)	(7,323,621)	1,878,109
Business-type activities	(112,763)	(160,380)	502,243	1,135,184	61,128	337,510	(172,411)	112,458	4,735	191,250
Total district	\$28,383,760	\$21,807,591	\$19,949,919	\$17,711,948	\$9,761,958	\$7,443,395	(\$966,778)	(\$24,240)	(\$7,318,886)	\$2,069,359

Source: ACFR Schedule A-2

HAMILTON TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable						\$250,489.67	\$196,549.00	\$228,815.00	\$260,752.77	\$264,171.00
Restricted	31,026,522	10,113,001	18,914,514	16,800,229	15,525,803	11,142,975	8,370,228	9,051,248	8,634,303	9,891,211
Assigned	5,000,000	9,794,489	5,021,196	5,000,000	5,019,206	4,548,555		6,105,211	6,000,000	10,202,470
Unassigned		(4,061,562)	128,604	(726,464)	420,371		4,156,882			
Total general fund	<u>36,026,522</u>	<u>15,845,928</u>	<u>24,064,314</u>	<u>21,073,765</u>	<u>20,965,381</u>	<u>15,942,019</u>	<u>12,723,659</u>	<u>15,365,274</u>	<u>14,895,056</u>	<u>20,357,852</u>
All Other Governmental Funds										
Restricted	2,568,248	15,590,932	1,978,092	5,091,236	4,267,923	6,940,053	22,364,472	36,566,136	4,833,425	3,115,696
Committed	6,235,250	540,989	1,006,121	1,472,609	4,328,622	14,900,308	16,063,885	18,235,245	1,839,484	6,349,697
Assigned	22,275	335,867	452,858	453,038	450,429	94,255				
Unassigned										
Total all other governmental funds	<u>\$8,825,773</u>	<u>\$16,467,788</u>	<u>\$3,437,071</u>	<u>\$7,016,883</u>	<u>\$9,046,975</u>	<u>\$21,934,616</u>	<u>\$38,428,357</u>	<u>\$54,801,381</u>	<u>\$6,672,909</u>	<u>\$9,465,393</u>

Source: ACFR Schedule B-1

HAMILTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Tax levy	\$132,527,208	\$128,331,444	\$125,501,546	\$125,021,733	\$123,713,423	\$120,683,896	\$117,593,818	\$113,475,684	\$111,165,617	\$107,543,062
Tuition charges	\$340,609	346,492	245,161	198,021	121,334	181,873	140,204	104,615	92,201	84,020
Interest earnings on cap. and maint. reserve	\$653,979	378,669	441,586	26,826	27,006	112,217	130,375	70,823	61,186	41,537
Transportation Fees from Individuals	\$33,388	44,025	39,534	44,314	5,176	37,065	127,402			
Transportation Fees From Other LEAs	\$107,260	6,125	9,561	6,243	24,928	12,207	12,207			
PLOI Payments to School District	353,140	500,000	518,921	512,099	455,362	438,674	2,395,837	2,717,739	1,630,297	2,355,480
Miscellaneous - Unrestricted	4,044,675	3,227,425	2,639,637	2,896,175	2,548,755	4,195,884				
Miscellaneous - Restricted	92,330	91,081	53,634	4,479	6,106					
State sources	191,601,002	166,968,421	142,122,513	133,223,807	115,473,084	108,764,470	107,048,121	101,263,463	98,666,602	95,229,388
Federal sources	9,479,413	11,861,707	20,915,233	9,965,026	10,224,426	6,671,261	5,910,989	6,160,606	6,046,490	6,359,294
Total revenue	339,233,004	311,355,368	292,487,227	272,005,124	252,597,959	241,277,547	233,347,746	223,792,940	217,662,594	211,612,791
Expenditures										
Instruction										
Regular instruction	64,167,791	59,489,500	58,908,145	57,709,251	55,006,289	54,810,460	55,149,558	54,508,021	54,178,760	53,707,870
Special education instruction	30,669,932	31,266,603	29,651,895	26,502,157	27,148,200	26,275,415	23,473,362	22,766,320	22,263,095	21,939,443
Other special instruction	5,331,802	4,746,853	4,482,848	3,963,288	3,933,502	3,762,772	3,666,300	3,468,033	3,085,033	3,023,156
Other instruction	2,782,484	2,651,338	2,458,098	2,782,284	2,292,322	2,622,529	2,192,196	2,182,857	2,202,541	1,945,145
Adult/Continuing Education	406,769	310,728	304,147	302,661	227,475	241,295	289,657	349,414	380,975	509,309
Support services										
Tuition	18,382,473	14,280,875	13,597,182	14,344,074	13,482,788	12,367,891	11,772,567	10,017,715	10,989,290	10,399,627
Student and instruction related services	31,023,313	29,866,044	28,342,246	27,544,195	25,280,402	23,610,717	23,622,063	22,666,529	21,977,840	20,987,167
General administrative services	4,768,946	4,162,868	3,955,335	3,859,736	3,707,277	3,540,250	3,532,165	3,490,111	2,336,424	2,307,287
School administrative services	10,416,784	9,675,553	9,235,529	8,677,361	8,213,684	7,805,496	7,990,575	7,671,941	7,639,289	7,389,526
Central Services/Adm Technology	4,975,356	4,463,891	4,052,363	3,756,789	3,583,616	3,429,885	3,438,734	3,354,387	3,328,564	3,161,485
Plant operations and maintenance	20,882,154	19,963,739	16,866,283	16,443,610	16,039,729	15,028,026	15,504,825	15,766,624	16,170,335	16,722,482
Pupil transportation	19,794,512	18,672,656	17,294,569	13,720,569	9,921,891	10,074,834	13,256,794	11,245,505	10,820,190	9,670,549
Unallocated benefits	92,264,270	89,482,866	84,538,163	79,291,227	72,069,689	64,991,418	63,789,006	58,907,800	60,277,657	61,640,114
Special schools										
Capital Outlay	18,441,582	12,650,409	12,820,382	9,962,409	18,840,346	21,540,828	18,740,468	9,009,963	9,763,188	15,286,160
Cost of issuance										
Debt service:										
Principal	5,065,000	4,980,000	4,840,000	5,820,000	5,725,000	5,473,000	4,265,000	4,025,000	4,000,000	3,950,000
Interest and other charges	1,894,400	1,721,286	1,850,160	2,047,220	2,227,345	2,400,762	3,377,153	886,658	951,045	899,054
Total expenditures	330,977,579	306,385,301	293,198,196	276,726,830	267,372,534	256,975,271	253,960,042	230,316,879	230,354,266	223,797,345
Excess (Deficiency) of revenues over (under) expenditures	8,255,426	2,970,067	(710,969)	(4,721,707)	(14,774,935)	(15,697,724)	(20,612,296)	(6,523,938)	(12,691,672)	(12,144,754)
Other financing sources (uses)										
Installment purchase contracts (non-budgeted)										
Leases	4,283,152	1,842,246	121,646	2,800,000	3,810,000	2,200,000	1,800,000	4,484,000	2,500,000	2,500,000
Proceeds from Refunding										
Payment to escrow Agent										
Bond Proceeds										
Accounts Receivable Cancelled										
Total other financing sources (uses)	4,283,152	1,842,246	121,646	2,800,000	3,798,991	2,200,000	1,800,000	55,393,000	(47,609)	2,602,378
Net change in fund balances	\$12,538,578	\$4,812,333	\$(598,263)	\$(1,921,707)	\$(11,066,134)	\$(13,497,724)	\$(18,812,296)	\$46,618,691	\$(2,555,281)	\$(9,542,376)
Debt service as a percentage of noncapital expenditures	2.17%	2.32%	2.44%	3.04%	3.31%	3.46%	3.36%	2.27%	2.30%	2.38%

Source: ACFR Schedule B-2

HAMILTON TOWNSHIP SCHOOL DISTRICT
 GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
 UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Interest on Investments & Deposits \$	1,035,590	899,634	341,065	31,618	62,620	288,558	262,667	200,923	206,586	237,018
Athletic Receipts	40,348	53,844	58,813	22,644		50,245	41,319	51,973	48,079	45,468
Facility Rental Fees	159,677	175,324	170,346	161,619	21,757	152,375	201,814	183,103	193,320	193,458
Other Miscellaneous Revenues	1,471,469	351,935	1,027,359	1,464,839	1,614,307	1,197,685	856,857	70,087	334,705	588,855
Refund of Prior Year Expenditures	315,853	322,780	385,584	433,039	358,607	456,052	149,599	198,041	238,401	820,425
Transportation Fees								148,190	58,436	792
ESJP Incentives				157,234	19,746	188,747	76,124	254,490		
E-Rate					5,083	128,812	214,522	528,500	381,470	320,000
Payments in Lieu of Taxes							416,577	399,568	74,546	145,544
Tuition - Individuals & State										
	<u>\$ 3,022,937</u>	<u>\$ 1,983,167</u>	<u>\$ 2,082,120</u>	<u>\$ 2,462,474</u>	<u>\$ 2,219,479</u>	<u>\$ 2,034,895</u>	<u>\$ 1,535,543</u>	<u>\$ 2,351,560</u>	<u>\$ 1,674,073</u>	<u>\$ 1,572,008</u>

Source: District Records

HAMILTON TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 UNAUDITED

Year Ended December 31	Vacant Land	Residential	Farm Res.	CEARM	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Tax Exempt Property	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)	Ratio to True Value
2024	\$79,696,400	\$6,378,948,500	\$15,400,500	1,499,800	\$1,699,682,700	\$366,657,950	\$372,650,700	\$8,915,536,550	\$22,509,171	\$8,938,045,721	1,017,753,200	\$11,896,556,264	\$1,459	75.13%
2023	100,794,300	6,348,151,400	16,270,800	1,471,500	1,705,304,250	304,410,450	367,066,800	8,843,489,500	24,529,400	8,868,318,900	1,003,600,000	10,744,564,634	1,431	82.54%
2022	83,374,000	6,301,746,200	17,697,900	1,748,500	1,664,774,550	298,503,000	369,507,200	8,737,351,350	26,466,000	8,763,817,350	833,056,000	9,649,373,161	1,430	90.82%
2021	74,373,800	6,279,392,400	17,689,900	1,651,400	1,648,838,650	266,919,400	368,563,400	8,657,419,950	27,571,359	8,684,990,309	828,658,100	9,297,753,963	1,432	93.41%
2020	74,893,200	6,274,331,860	17,997,000	1,629,400	1,653,933,530	272,536,000	362,988,300	8,656,396,290	27,032,665	8,685,431,945	821,979,000	9,215,632,854	1,407	94.24%
2019	77,232,300	6,264,636,280	18,492,200	1,705,700	1,645,555,430	240,420,100	353,502,300	8,601,844,310	27,035,665	8,628,979,965	840,296,900	9,120,000,072	1,381	94.62%
2018	78,463,500	6,233,102,890	18,308,900	2,364,600	1,607,280,480	204,889,500	345,477,300	8,489,887,260	27,164,069	8,517,051,329	840,523,600	8,812,303,648	1,357	96.65%
2017	79,265,400	6,225,112,730	18,323,400	1,593,100	1,590,421,760	221,089,500	346,912,400	8,462,761,310	27,366,795	8,510,085,105	838,942,800	8,727,476,700	1,320	97.70%
2016	73,380,600	6,210,309,480	18,225,800	1,625,700	1,608,628,730	162,490,300	352,100,700	8,426,761,310 (c)	27,704,237	8,454,465,547	839,470,200	8,653,638,044	1,281	97.70%
2015	50,337,959	3,874,408,400	13,271,850	1,543,765	835,126,700	93,188,700	181,058,100	5,149,635,474	16,005,511	5,165,540,985	477,893,411	8,499,589,488	2,052	59.28%

Source: District records Tax list summary & Municipal Tax Assessor
 Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

(a): Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(b): Tax rates are per \$100

(c): Revaluation

HAMILTON TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
UNAUDITED

Year Ended <u>December 31</u>	<u>Township of Hamilton Board of Education</u>			<u>Overlapping Rates</u>		<u>Total Direct and Overlapping Tax Rate</u>
	<u>Local School</u>	<u>General Obligation Debt Service (b)</u>	<u>Total Direct</u>	<u>Township of Hamilton</u>	<u>Mercer County</u>	
2025	\$1.402	\$0.057	\$1.459	\$1.298	\$0.767	\$3.524
2024	1.401	0.058	1.459	1.298	0.767	3.524
2023	1.373	0.058	1.431	1.225	0.647	3.303
2022	1.356	0.074	1.430	1.191	0.630	3.251
2021	1.352	0.080	1.432	1.190	0.641	3.263
2020	1.329	0.078	1.407	0.857	0.639	2.903
2019	1.302	0.079	1.381	0.810	0.644	2.835
2018	1.299	0.058	1.357	0.823	0.638	2.818
2017	1.259	0.061	1.320	0.802	0.630	2.752
2016*	1.232	0.059	1.291	0.794	0.619	2.704

* - Revaluation

Source: District Records and Municipal Tax Collector
(Rates are per \$100 of assessed value)

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

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

HAMILTON TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR AND NINE YEARS AGO
 UNAUDITED

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
PARAMOUNT MKTLP@HAMILTON	\$66,763,300.00	1	0.75%			
INSPIRED SENIOR LIVING OF HAM. DST	42,281,000.00	2	0.47%			0.00%
QUAKERBRIDGE PARTNERS LLC	40,700,000.00	3	0.46%			
RAR2-401 CABOT DRIVE, LLC	38,004,500.00	4	0.43%			
HAMILTON STATION APTS	37,941,200.00	5	0.42%	\$24,588,900.00	9	0.29%
RECKSON MATRIX	36,257,300.00	6	0.41%			0.00%
BCIF HAMILTON DISTRIBUTION CENTER	33,735,200.00	7	0.38%			
MREIC TRENTON NJ LLC	32,600,000.00	8	0.36%	31,589,500.00	6	0.00%
LEVIN PROPERTIES LP	32,553,800.00	9	0.36%			0.37%
HAMILTON MONTAGE LLC	31,991,000.00	10	0.36%			0.00%
JDN REAL ESTATE				91,075,000.00	1	1.08%
PSE&G				87,748,200.00	2	1.04%
QB PARTNERS				43,750,000.00	3	0.52%
BELL ATLANTIC				33,391,636.00	4	0.39%
HORIZON BUS PARK				33,742,900.00	5	0.40%
SHARBELL HAMILTON				29,062,800.00	7	0.34%
CABOT REALTY				26,300,800.00	8	0.31%
KUSAR VILLAGE				23,369,000.00	10	0.28%
Total	\$392,827,300.00		4.395%	\$424,618,736.00		5.022%

Source: Municipal Tax Assessor

HAMILTON TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
UNAUDITED

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (a)</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2025	\$132,527,208.00	\$132,527,208.00	100.00%	0.00
2024	128,331,444.00	128,331,444.00	100.00%	0.00
2023	125,501,546.00	125,501,546.00	100.00%	0.00
2022	125,021,733.00	125,021,733.00	100.00%	0.00
2021	123,713,423.00	123,713,423.00	100.00%	0.00
2020	120,663,896.00	120,663,896.00	100.00%	0.00
2019	117,593,818.00	117,593,818.00	100.00%	0.00
2018	113,475,694.00	113,475,694.00	100.00%	0.00
2017	111,165,617.00	111,165,617.00	100.00%	0.00
2016	107,543,062.00	107,543,062.00	100.00%	0.00

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

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

HAMILTON TOWNSHIP SCHOOL DISTRICT
 RATIOS OF OUTSTANDING DEBT BY TYPE
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Total District	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Installment Purchases	SBITAs	Leases				
2025	\$46,715,000	\$18,329,671	\$47,846	\$370,992	\$65,044,671	N/A	N/A	
2024	51,780,000	17,321,799	263,016	393,149	69,101,799	N/A	\$735.82	
2023	56,760,000	18,246,830	360,030	460,703	75,006,830	0.970%	818.49	
2022	61,600,000	20,866,763			82,466,763	1.135%	900.85	
2021	67,420,000	20,774,241			88,194,241	1.236%	962.77	
2020	73,145,000	19,736,865			92,881,865	1.443%	1,017.03	
2019	78,618,000	20,309,872			98,927,872	1.583%	1,136.25	
2018	82,883,000	21,634,656			104,517,656	1.722%	1,193.78	
2017	31,515,000	25,351,439			56,866,439	0.962%	638.39	
2016	35,515,000	23,492,432			59,007,432	1.048%	662.69	

Source: District ACFR Schedules I-1, I-2, I-4 and I-5
 Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
 (a) See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
 (b) Includes Early Retirement Incentive Plan (ERIP) refunding
 N/A - Not available

HAMILTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value (a) of Property		Per Capita (b)
	General Obligation Bonds	Deductions				
2025	\$46,715,000	N/A	46,715,000	N/A		N/A
2024	51,780,000	N/A	51,780,000	0.579%		551
2023	56,760,000	N/A	56,760,000	0.640%		619
2022	61,600,000	N/A	61,600,000	0.703%		673
2021	67,420,000	N/A	67,420,000	0.776%		736
2020	73,145,000	N/A	73,145,000	0.842%		843
2019	78,618,000	N/A	78,618,000	0.911%		903
2018	82,883,000	N/A	82,883,000	0.973%		947
2017	31,515,000	N/A	31,515,000	0.370%	(c)	354
2016	35,515,000	N/A	35,515,000	0.420%		399

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

(a) See Exhibit J-6 for property tax data.

(b) Population data can be found in Exhibit J-14.

(c) Revaluation

N/A - Not available

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

<u>Governmental Unit</u>	<u>Gross Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debts:			
Township of Hamilton	\$253,022,870.90	100.00%	\$253,022,870.90
County of Mercer - Township's Share	635,709,173.00	20.22%	<u>128,525,251.89</u>
Subtotal, overlapping debt			<u>381,548,122.79</u>
Hamilton School District Direct Debt			<u>46,715,000.00</u>
Total direct and overlapping debt			<u><u>\$428,263,122.79</u></u>

Source: Township of Hamilton, Statement of Indebtedness as of December 31, 2024
Debt outstanding data provided by each governmental unit.

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

HAMILTON TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
UNAUDITED

Legal Debt Margin Calculation for Fiscal 2025

Equalized Valuation Basis

Calendar Year	
2024	\$13,553,567,270.00
2023	11,742,782,489.00
2022	10,477,696,786.00
	<u>\$35,774,046,555.00</u>
Average Equalized Valuation of Taxable Property	\$11,924,682,185.00
Debt Limit (4% (a) of average equalization value)	476,987,287.40
Net Bonded School Debt	46,715,000.00
Legal Debt Margin	<u>\$430,272,287.40</u>

	Fiscal Year Ending June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt Limit	\$476,987,287.40	\$422,982,445.36	\$372,992,745.80	\$371,090,592.16	\$363,062,790.04	\$356,473,987.16	\$350,249,579.44	\$344,682,446.39	\$228,596,944.68	\$367,159,906.00
Total Net Debt Applicable To Limit	46,715,000.00	51,780,000.00	56,760,000.00	63,690,000.00	71,330,000.00	74,870,000.00	78,618,000.00	84,473,000.00	37,255,000.00	40,375,000.00
Legal Debt Margin	<u>\$430,272,287.40</u>	<u>\$371,202,445.36</u>	<u>\$316,232,745.80</u>	<u>\$307,400,592.16</u>	<u>\$291,732,790.04</u>	<u>\$281,603,987.16</u>	<u>\$271,631,579.44</u>	<u>\$260,209,446.39</u>	<u>\$191,341,944.68</u>	<u>\$326,784,906.00</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	9.79%	12.24%	15.22%	17.16%	19.65%	21.00%	22.45%	24.51%	16.30%	11.00%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation (a) Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

HAMILTON TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
UNAUDITED

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2024	93,911	N/A	N/A	4.40%
2023	91,640	7,733,682,880	84,392	3.70%
2022	91,543	7,264,303,222	79,354	3.10%
2021	91,605	7,137,037,155	77,911	5.20%
2020	86,722	6,436,333,396	74,218	8.20%
2019	87,065	6,250,396,350	71,790	3.00%
2018	87,552	6,071,205,888	69,344	3.60%
2017	89,078	5,909,701,754	66,343	4.00%
2016	89,042	5,631,639,374	63,247	4.10%
2015	89,189	5,575,026,012	62,508	4.70%

Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by municipality estimated based upon the 2020 Census published by the US Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

HAMILTON TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO
 UNAUDITED

Employer	2025			2016		
	# of Employees	Rank (Optional)	Percentage of Total Employment	# of Employees	Rank (Optional)	Percentage of Total Employment
Robert Wood Johnson Hamilton	1,100	1		N/A		
Trane Company	1,000	2		N/A		
UPS	850	3		N/A		
Genesis	800	4		N/A		
Verizon	560	5		N/A		
ShopRite	545	6		N/A		
Walmart	475	7		N/A		
Amazon	450	8		N/A		
Fed-Ex	290	9		N/A		
AAA Mid Atlantic	200	10		N/A		
	<u>6,270</u>		<u>0.00%</u>	<u>0</u>		<u>0.00%</u>

Source: Township of Hamilton Economic Development Office
 N/A - Not Available

HAMILTON TOWNSHIP SCHOOL DISTRICT
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
 UNAUDITED

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction:										
Regular	757	740	749	741	759	764	770	767	735	784
Special education	423	397	382	346	372	360	355	341	187	226
Other Special Education	96	81	75	75	76	78	75	75	74	74
Support Services:										
Student and instruction related services	123	121	118	111	116	119	112	106	94	89
General administrative services	2	2	2	2	2	2	3	3	3	3
School administrative services	101	99	95	102	108	113	113	113	109	92
Other administrative services	26	23	27	37	39	39	40	43	49	62
Central services	23	21	21	22	24	24	24	24	23	23
Administration information technology	22	21	21	17	18	17	17	17	17	20
Plant operations and maintenance	183	183	179	170	171	167	170	170	157	166
Pupil transportation	17	14	12	12	12	12	12	10	10	10
Other support services	18	26	28	21	18	18	18	18	206	173
Food Service	2	2	2	2	2	2	1	1	1	1
Total	1,793	1,730	1,711	1,717	1,715	1,710	1,688	1,665	1,723	1,766

Source: District Personnel Records

HAMILTON TOWNSHIP SCHOOL DISTRICT
 OPERATING STATISTICS
 UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	% Change	Teaching Staff (b)	Teacher/Pupil Ratio			Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2025	12,014	\$305,886,586.51	\$25,460.84	5.30%	1,276	1:12	1:12	1:12	12,128	11,378	0.37%	93.82%
2024	11,954	289,033,604.32	24,178.82	2.98%	1,218	1:12	1:12	1:12	12,083	11,307	2.36%	93.58%
2023	11,657	273,687,594.34	23,478.39	3.06%	1,206	1:12	1:12	1:12	11,804	10,961	2.25%	92.86%
2022	11,365	258,897,201.44	22,780.22	7.07%	1,162	1:12	1:12	1:12	11,544	10,741	-0.06%	93.04%
2021	11,308	240,579,843.02	21,275.19	10.48%	1,119	1:12	1:12	1:12	11,550	10,923	1.10%	96.61%
2020	11,817	227,560,678.17	19,257.06	-1.40%	973	1:12	1:12	1:12	11,424	11,159	0.00%	94.74%
2019	11,653	227,577,421.20	19,529.51	-3.45%	970	1:12	1:12	1:12	11,424	10,823	-1.17%	94.74%
2018	11,614	227,840,088.33	19,617.71	8.37%	928	1:12	1:12	1:12	11,559	10,722	-0.34%	92.76%
2017	11,662	215,640,033.00	18,490.83	6.62%	960	1:12	1:12	1:12	11,589	10,925	-0.64%	94.19%
2016	11,683	203,519,953.06	17,420.18	6.05%	975	1:12	1:12	1:12	11,673	11,025	-1.97%	94.45%

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).

HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Buildings										
Elementary School(s):										
Alexander (1962)	31,977	31,977	31,977	31,977	31,977	31,977	31,977	31,977	31,977	31,977
Square Feet	360	351	351	351	351	351	351	351	351	351
Capacity (students)	318	317	333	344	346	337	352	332	312	302
Greenwood (1917)	26,948	26,948	26,948	26,948	26,948	26,948	26,948	26,948	26,948	26,948
Square Feet	240	227	227	227	227	227	227	227	227	227
Capacity (students)	258	233	243	247	242	240	234	247	266	270
Enrollment										
Kisthardt (1951)	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242
Square Feet	252	245	245	245	245	245	245	245	245	245
Capacity (students)	223	213	234	233	236	223	230	242	239	248
Enrollment										
Klockner (1908)	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354
Square Feet	251	254	254	254	254	254	254	254	254	254
Capacity (students)	248	260	260	262	243	233	237	266	275	285
Enrollment										
Kuser (1908)	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813
Square Feet	351	404	404	404	404	404	404	404	404	404
Capacity (students)	433	402	387	387	388	385	397	458	485	512
Enrollment										
Lalor (1926)	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408
Square Feet	262	242	242	242	242	242	242	242	242	242
Capacity (students)	282	242	249	262	258	246	315	337	347	350
Enrollment										
Langtree (1966)	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516
Square Feet	360	392	392	392	392	392	392	392	392	392
Capacity (students)	388	371	385	403	404	388	388	358	351	339
Enrollment										
McGalliard (1952)	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444
Square Feet	262	277	277	277	277	277	277	277	277	277
Capacity (students)	277	270	273	278	278	262	251	280	294	294
Enrollment										
Mercerville (1911)	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098
Square Feet	384	385	385	385	385	385	385	385	385	385
Capacity (students)	389	312	331	346	348	316	332	357	343	349
Enrollment										
Morgan (1957)	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434
Square Feet	390	386	386	386	386	386	386	386	386	386
Capacity (students)	356	311	312	304	311	287	276	285	275	285
Enrollment										

TOWNSHIP OF HAMILTON SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Robinson (1962)										
Square Feet	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073
Capacity (students)	382	381	381	381	381	381	381	381	381	381
Enrollment	365	373	383	409	415	383	401	398	374	387
Sayen (1955)										
Square Feet	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750
Capacity (students)	270	250	250	250	250	250	250	250	250	250
Enrollment	281	273	288	275	274	264	260	263	258	254
Sunnybrae (1966)										
Square Feet	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778
Capacity (students)	371	353	353	353	353	353	353	353	353	353
Enrollment	342	316	317	321	328	313	276	260	281	277
University Hgts. (1977)										
Square Feet	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333
Capacity (students)	361	347	347	347	347	347	347	347	347	347
Enrollment	317	312	317	340	343	311	338	316	321	308
Wilson (1977)										
Square Feet	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333
Capacity (students)	447	387	387	387	387	387	387	387	387	387
Enrollment	419	437	436	410	410	422	415	470	509	542
Yardville (1938)										
Square Feet	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370
Capacity (students)	291	304	304	304	304	304	304	304	304	304
Enrollment	280	284	282	293	301	285	299	318	329	310
Yardville Hgts. (1917)										
Square Feet	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365
Capacity (students)	262	261	261	261	261	261	261	261	261	261
Enrollment	241	262	263	291	289	275	262	238	254	251
Middle School(s):										
Crockett (1989)										
Square Feet	115,142	115,142	115,142	115,142	115,142	115,142	115,142	115,142	115,142	115,142
Capacity (students)	696	944	944	944	944	944	944	944	944	944
Enrollment	831	794	795	785	783	822	831	859	838	834
Grice (1960)										
Square Feet	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,128
Capacity (students)	716	988	988	988	988	988	988	988	988	988
Enrollment	918	881	891	895	895	943	943	965	957	986
Reynolds (1960)										
Square Feet	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,514
Capacity (students)	737	979	979	979	979	979	979	979	979	979
Enrollment	1,029	908	893	955	952	940	914	938	958	966

TOWNSHIP OF HAMILTON SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
High School(s):										
Hamilton East (1967)										
Square Feet	195,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185
Capacity (students)	1,453	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313
Enrollment	1,345	1,251	1,204	1,359	1,308	1,392	1,336	1,310	1,354	1,321
Hamilton North (1953)										
Square Feet	162,586	162,586	162,586	162,586	162,586	162,586	162,586	162,586	162,586	162,586
Capacity (students)	1,303	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172
Enrollment	1,316	1,240	1,038	1,054	1,009	1,002	890	932	999	1,030
Hamilton West (1929)										
Square Feet	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,348
Capacity (students)	1,292	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256
Enrollment	1,219	1,233	1,159	1,246	1,206	1,260	1,188	1,196	1,302	1,281
Other Buildings:										
Administration Building (1898)										
Square Feet	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515
Capacity (students)	N/A									
Enrollment	N/A									
Hamilton Educational Program (HEP)										
Square Feet	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Capacity (students)	23	23	23	23	23	23	23	23	23	23
Enrollment	52	37	35	35	38	24	24	32	33	33

Source: District records and Long Range Facility Plan
Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

School Facilities * Project #(s)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Hamilton HS East - Steinert	\$529,927	\$500,976	\$487,445	\$479,069	\$459,842	\$413,492	\$443,778	\$417,017	\$417,384	\$501,056
Hamilton HS North - Nottingham	462,043	417,305	406,034	399,074	383,041	344,432	369,660	347,369	347,674	417,372
Hamilton HS West	506,967	466,027	455,366	447,560	429,599	386,297	414,591	389,591	389,933	468,103
Grice Middle	317,313	292,929	285,017	280,132	268,878	241,776	259,484	243,837	244,051	292,976
Reynolds Middle	315,606	291,353	283,484	278,625	267,431	240,475	258,088	242,525	242,738	291,400
Crockett Middle	320,133	295,532	287,550	282,621	271,267	243,924	261,790	246,003	246,220	295,579
Alexander Elementary	88,962	82,126	79,908	78,538	75,353	67,784	72,749	68,362	68,422	82,139
Wilson Elementary	109,359	100,955	98,228	96,544	92,666	83,326	89,429	84,036	84,110	100,971
Greenwood Elementary	74,924	69,167	67,299	66,145	63,488	57,088	61,270	57,575	57,626	69,178
Kishardt Elementary	70,161	64,788	63,038	61,957	59,468	53,474	57,391	53,930	53,978	64,798
Klockner Elementary	123,319	113,842	110,767	108,869	104,495	93,962	100,844	94,763	94,847	113,860
Kuser Elementary	144,057	132,987	129,395	127,177	122,068	109,764	117,803	110,700	110,787	133,008
Lalor Elementary	101,226	93,447	90,923	89,365	85,775	77,129	82,778	77,786	77,855	93,462
Langtree Elementary	109,867	101,425	98,685	96,994	93,097	83,713	89,845	84,427	84,501	101,441
McGalliard Elementary	81,864	75,573	73,532	72,271	69,368	62,376	66,945	62,908	62,963	75,585
Mercerville Elementary	125,367	115,752	112,625	110,695	106,248	95,538	102,536	96,353	96,438	115,770
Morgan Elementary	95,738	88,381	85,994	84,520	81,124	72,947	78,290	73,569	73,634	88,395
Robinson Elementary	111,416	102,854	100,076	98,361	94,409	84,893	91,111	85,617	85,692	102,871
Sayen Elementary	77,154	71,225	69,301	68,113	65,377	56,787	63,093	59,288	59,341	71,237
Sunnybrae Elementary	88,353	81,564	79,361	78,000	74,867	67,321	72,251	67,894	67,954	81,577
University Heights Elementary	109,359	100,955	98,228	96,544	92,666	83,326	89,429	84,036	84,110	100,871
Yardville Elementary	98,340	90,783	88,331	86,817	83,329	74,930	80,418	75,569	75,635	90,798
Yardville Heights Elementary	92,766	85,637	83,324	81,896	78,606	70,683	75,860	71,285	71,348	85,651
Willey School	40,037	36,960	35,962	35,345	33,925	30,506	32,740	30,766	30,793	36,966
Total School Facilities	\$4,184,319	\$3,769,894	\$3,705,272	\$3,556,418	\$3,197,945	\$3,432,173	\$3,225,206	\$3,226,043	\$3,875,166	\$3,010,822

* - 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

HAMILTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy (1):		
Property/building and contents	\$400,000,000	\$10,000
Comprehensive general liability	3,000,000	1,000
Comprehensive auto liability	1,000,000	1,000
Umbrella:	15,000,000	n/a
Student accident (2):	500,000	n/a
Volunteer Insurance(2)	5,000	250
Surety Bonds (3)		
Board Secretary	850,000	n/a
Board Treasurer	850,000	n/a
Legal Liability/Errors and Omissions (6)	5,000,000	25,000
Environmental liability (5)	2,000,000	25,000
Crime (43)	500,000	5,000
Cyber Security (4)	1,000,000	100,000

- (1) Utica
(2) AIG
(3) Selective
(4) Coalition
(5) Markel
(6) NJSIG

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SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable President and Members
of the Board of Education
Hamilton School District
County of Mercer
Hamilton, New Jersey 08690

We have audited, in accordance with the 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Hamilton School District (the "District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 20, 2025.

Internal Control Over Financial Reporting

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

SUPLEE, CLOONEY & COMPANY LLC

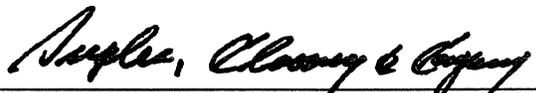
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

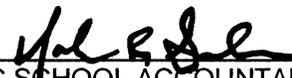
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 2389

November 20, 2025



SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAM
AND 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
Hamilton School District
County of Mercer
Hamilton, New Jersey 08527

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the *New Jersey OMB State Grant Compliance Supplement*. Our responsibilities under those standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

SUPLEE, CLOONEY & COMPANY LLC

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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 District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB State Grant Compliance Supplement, we:

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

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.

SUPLEE, CLOONEY & COMPANY LLC

Report on Internal Control Over Compliance

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

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

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

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



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 2389

November 20, 2025

HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL ASSISTANCE NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR PROJECT NUMBER	ENCL	GRANT PERIOD TO	AWARD AMOUNT	BALANCE AT JUNE 30, 2021	ADJUSTED BALANCE AT JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PAID TO SUBSIDIARIES	REPAYMENT BALANCE	ACCOUNTS RECEIVABLE	BALANCE JUNE 30, 2022	ONE YEAR GRANTEE
93.778	2-6505JMAP	NA	07/01/2023	06/30/2024	\$ 320,337	\$	\$	\$ 188,867	\$ (188,867)	\$	\$	\$	\$	
		NCLB190204	07/01/2023	06/30/2024	2,034,112	(860,559)	(860,559)	921,081	(41,141)			(714,778)		77
		NCLB190205	07/01/2024	06/30/2025	2,631,681			1,394,208	2,088,368					
		NCLB190206	07/01/2024	06/30/2025	302,306			108,953	(130,284)			(23,531)		
		NCLB190207	07/01/2024	06/30/2025	339,402	(84,901)	(84,901)	111,872	(13,071)			(8,712)		
		NCLB190208	07/01/2024	06/30/2025	377,834	(83,500)	(83,500)	123,443	(58,873)			(88,896)		
		NCLB190209	07/01/2024	06/30/2025	298,385	(44,686)	(44,686)	134,814	(20,809)			(5,897)		88
		NCLB190210	07/01/2024	06/30/2025	233,251	(15,039)	(15,039)	26,454	(14,387)			(33,500)		
		NCLB190211	07/01/2024	06/30/2025	47,108	(17,788)	(17,788)	18,771	(8,252)			(859,814)		145
		NCLB190212	07/01/2024	06/30/2025	157,891	(1,116,476)	(1,116,476)	3,323,287	(4,357,599)			(623,164)		
		DEA190204	07/01/2023	06/30/2024	4,188,157	(1,471,373)	(1,471,373)	3,345,465	(9,988,628)			(803,164)		
		DEA190205	07/01/2024	06/30/2025	4,234,947			1,489,108	(17,723)					
		DEA190206	07/01/2024	06/30/2025	3,000			3,000						3,000
		DEA190207	07/01/2024	06/30/2025	37,000			1,500	(957,617)			(88,142)		
		DEA190208	07/01/2023	06/30/2024	228,732	(11,020)	(11,020)	3,520	(20,520)			(721,326)		
		DEA190209	07/01/2023	06/30/2024	9,889	(8,869)	(8,869)	8,869	(4,258,869)					
		DEA190210	07/01/2023	06/30/2024	61,405	(3,116,677)	(3,116,677)	3,513,851	(415,164)					
		DEA190211	07/01/2024	06/30/2025	1,468,613	(1,194,120)	(1,194,120)	161,100	(88,622)					
		DEA190212	07/01/2024	06/30/2025	448,613	(3,195,426)	(3,195,426)	3,859,242	(483,818)					
		NA	07/01/2020	06/30/2021	1,566,005									
		NA	07/01/2020	06/30/2021	1,468,270	(40,888)	(40,888)	40,888						
		NA	07/01/2020	06/30/2021	294,270	(40,888)	(40,888)	40,888						
		NA	07/01/2020	06/30/2021	1,566,005	(5,841,040)	(5,841,040)	11,933,282	(7,258,284)			(1,572,140)		3,000
		NA	07/01/2020	06/30/2021	3,258,736			3,038,104	3,223,756			(156,622)		
		NA	07/01/2024	06/30/2025	2,568,720	(100,132)	(100,132)	80,132	(88,360)			(8,251)		
		NA	07/01/2024	06/30/2025	88,259	(4,281)	(4,281)	4,281	(873,152)			(48,538)		
		NA	07/01/2024	06/30/2025	571,919	(38,987)	(38,987)	38,987	(589,945)					
		NA	07/01/2024	06/30/2025	428,999	8,506	8,506	35,550	(4,425,149)					21,780
		NA	07/01/2024	06/30/2025	37,847	(184,884)	(184,884)	4,392,404	(18,516)			(248,419)		
		NA	07/01/2024	06/30/2025	8,032	(184,884)	(184,884)	18,516	(18,516)					
		NA	07/01/2024	06/30/2025	5,984	(184,884)	(184,884)	4,416,824	(4,486,568)			(248,419)		
		NA	07/01/2024	06/30/2025	5,984	(8,041,804)	(8,041,804)	18,538,852	(13,273,220)			(1,821,558)		24,780
		NA	07/01/2024	06/30/2025	5,984	(8,041,804)	(8,041,804)	18,538,852	(13,273,220)			(1,821,558)		24,780

The accompanying notes to schedule of financial assistance are an integral part of this schedule.

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

STATE GRANT OR PROGRAM TITLE	GRANT OR STATE EDUCATION	ESRM	GRANT PERIOD	IQ	AWARD AMOUNT	BALANCE JUNE 30, 2024		CARRY OVER	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	(ACCOUNTS RECEIVABLE)	UNREARND REVENUE	DUE GRANTEE	BUDGETARY RECEIVABLE	MEMO	CUMULATIVE TOTAL EXPENDITURES
						UNREARND REVENUE (ACCUMULATED)	DUO TO GRANTEE										
State Department of Education																	
General Funds:																	
Equalization Aid	25-465-03-4-5120-078	07/01/2024	06/30/2025		\$110,055,864				\$90,350,020	(\$10,055,864)	\$10,703,844			\$10,703,844	\$110,055,864		
Equalization Aid	25-465-03-4-5120-089	07/01/2024	06/30/2025		14,654,032				13,228,906	(\$1,425,126)	1,425,226			1,425,226	14,654,032		
Equalization Aid	25-465-03-4-5120-084	07/01/2024	06/30/2025		4,737,464				4,321,862	(\$415,602)	465,622			465,622	4,737,464		
Equalization Aid	24-465-03-4-5120-078	07/01/2023	06/30/2024		13,453,991				12,500,000	(\$953,991)	1,073,131			1,073,131	13,453,991		
Equalization Aid	24-465-03-4-5120-084	07/01/2023	06/30/2024		2,176,632				2,047,258	(\$129,374)	129,374			129,374	2,176,632		
Total State Aid - Public Student					153,070,983				127,204,266	(129,867,360)	2,893,114			129,867,360	153,070,983		
Capital Projects Fund																	
Capital Projects Fund	25-465-03-4-5120-014	07/01/2023	06/30/2025		5,324,555				4,698,369	(\$626,186)	506,186			506,186	5,324,555		
Capital Projects Fund	25-465-03-4-5120-014	07/01/2023	06/30/2025		1,463,373				1,463,373		(138,197)				1,463,373		
Capital Projects Fund	25-465-03-4-5120-014	07/01/2024	06/30/2025		2,240,830				2,046,703	(1,946,530)	2,046,530			2,046,530	2,240,830		
Capital Projects Fund	24-100-03-4-5120-068	07/01/2023	06/30/2024		245,924				242,924	(289,703)	(249,703)			249,703	245,924		
Capital Projects Fund	25-100-03-4-5120-068	07/01/2024	06/30/2025		169,000				169,000	(15,731)	15,731			15,731	169,000		
Capital Projects Fund	25-100-03-4-5120-168	07/01/2024	06/30/2025		33,266,686				32,697,748	(568,938)	568,938			568,938	33,266,686		
Capital Projects Fund	25-465-03-4-5094-002	07/01/2024	06/30/2025		15,131				14,378	(753)	753			753	15,131		
Capital Projects Fund	25-465-03-4-5094-001	07/01/2024	06/30/2025		9,537,230				9,443,758	(93,472)	93,472			93,472	9,537,230		
Capital Projects Fund	25-465-03-4-5094-004	07/01/2024	06/30/2025		13,272				12,966,465	(14,814)	14,814			14,814	13,272		
Capital Projects Fund	25-465-03-4-5095-002	07/01/2024	06/30/2025		7,651,191				7,396,465	(254,726)	254,726			254,726	7,651,191		
Capital Projects Fund	24-465-03-4-5095-002	07/01/2023	06/30/2024		1,121,515				1,020,114	(101,401)	101,401			101,401	1,121,515		
Capital Projects Fund	24-465-03-4-5095-002	07/01/2023	06/30/2024		18,620,682				18,242,621	(378,061)	378,061			378,061	18,620,682		
Capital Projects Fund	24-100-03-4-5120-064	07/01/2023	06/30/2024		76,136	11,159			46,640	(67,706)	(11,159)			3,810	76,136		
Capital Projects Fund	25-100-03-4-5120-064	07/01/2024	06/30/2025		46,640				240,350	(67,246)	38,147			38,147	46,640		
Capital Projects Fund	25-100-03-4-5120-067	07/01/2024	06/30/2025		546,430				518,463	(8,967)	8,967			8,967	546,430		
Capital Projects Fund	24-100-03-4-5120-067	07/01/2023	06/30/2024		19,227	7,891			9,558	(9,535)	(7,891)			2,663	19,227		
Capital Projects Fund	25-100-03-4-5120-067	07/01/2024	06/30/2025		1,065				1,065	(2,571)	(2,571)			2,571	1,065		
Capital Projects Fund	24-100-03-4-5120-067	07/01/2023	06/30/2024		59,447	21,895			10,369	(14,902)	(21,895)			2,673	59,447		
Capital Projects Fund	25-100-03-4-5120-068	07/01/2024	06/30/2025		120,395	9,960			107,346	(124,830)	(9,960)			2,478	120,395		
Capital Projects Fund	24-100-03-4-5120-068	07/01/2023	06/30/2024		152,388	6,536			130,252	(124,830)	(107,952)			5,322	152,388		
Capital Projects Fund	24-100-03-4-5120-068	07/01/2023	06/30/2024		260,705	107,062			109,996	(124,830)	(107,952)			2,478	260,705		
Capital Projects Fund	24-100-03-4-5120-068	07/01/2024	06/30/2025		5,960	5,960			6,433	(6,433)	(5,960)			5,960	5,960		
Capital Projects Fund	25-100-03-4-5120-068	07/01/2024	06/30/2025		159,360	2,715			120,510	(68,403)	(2,715)			22,107	159,360		
Capital Projects Fund	24-100-03-4-5120-070	07/01/2023	06/30/2024		64,533	2,813			4,088	(4,023)	(5,697)			1,065	64,533		
Capital Projects Fund	25-100-03-4-5120-064	07/01/2024	06/30/2025		272,240	5,097			180,035	(182,448)	(5,097)			1,837	272,240		
Capital Projects Fund	25-100-03-4-5120-509	07/01/2024	06/30/2025		4,891	4,891			892,371	(903,891)	(4,891)			126,128	4,891		
Capital Projects Fund	25-100-03-4-5120-509	07/01/2023	06/30/2024		380,152	380,152			380,152	(380,152)	(380,152)			380,152	380,152		
Capital Projects Fund	1956-055-20-2652T	Continuous	Continuous		1,373,012				1,158,485	(1,158,485)				1,158,485	1,373,012		
Capital Projects Fund	1956-055-23-2650T	Continuous	Continuous		1,740,152				1,158,485	(1,158,485)				1,158,485	1,740,152		
Capital Projects Fund	1956-055-23-2650T	Continuous	Continuous		2,214,480				1,158,485	(1,158,485)				1,158,485	2,214,480		
Capital Projects Fund	1956-180-23-3501	Continuous	Continuous		2,214,480				1,158,485	(1,158,485)				1,158,485	2,214,480		
Capital Projects Fund	25-100-03-4-5120-125	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	24-100-03-4-5120-122	07/01/2023	06/30/2024		100,465				612	(6,122)	(6,122)			6,122	100,465		
Capital Projects Fund	25-100-03-4-5120-122	07/01/2024	06/30/2025		9,932				670	(6,260)	(6,260)			6,260	9,932		
Capital Projects Fund	25-100-03-4-5120-122	07/01/2023	06/30/2024		33,152				27,306	(28,470)	(28,470)			28,470	33,152		
Capital Projects Fund	24-100-010-3350-023	07/01/2023	06/30/2024		27,705				1,948	(1,948)	(1,948)			1,948	27,705		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		83,244				82,562	(88,244)	(88,244)			88,244	83,244		
Capital Projects Fund	24-100-010-3350-023	07/01/2023	06/30/2024		6,524				468	(468)	(468)			468	6,524		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		20,960				24,038	(20,922)	(20,922)			20,922	20,960		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-023	07/01/2024	06/30/2025		1,158,485				1,158,485	(1,158,485)				1,158,485	1,158,485		
Capital Projects Fund	25-100-010-3350-02																

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

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Hamilton Township School District ("the District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from the 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: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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 schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP accounting purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the state aid payments in the subsequent year.

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

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,661,114 for the general fund and (\$2,690,249) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$188,867	\$184,663,407	\$184,852,274
Special Revenue Fund	9,290,546	2,038,847	11,329,393
Capital Projects Fund		3,740,253	3,740,253
Debt Service Fund		1,158,495	1,158,495
Food Service Fund	4,449,568	250,372	4,699,940
	<u>13,928,981</u>	<u>191,851,374</u>	<u>205,780,355</u>
GAAP Adjustments			
General Fund		2,661,114	2,661,114
Special Revenue Fund	(1,555,262)	(1,134,987)	(2,690,249)
Total Awards & Financial Assistance	<u>\$12,373,720</u>	<u>\$193,377,501</u>	<u>\$205,751,221</u>

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: OTHER

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, non-contributory life insurance, long-term disability and post retirement contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2025. TPAF Social Security contributions represent 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.

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

NOTE 4: RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, non-contributory life insurance, long-term disability and post retirement contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2025. TPAF Social Security contributions represent 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.

Hamilton Township School District
Mercer County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued: | Unmodified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness(es) identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) | Noncompliance material to the basic financial statements noted during the audit? | No |

Federal Programs

- | | | |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weaknesses identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of OMB Uniform Guidance? | No |
| (4) | Identification of Major Federal Program(s): | |

<u>Program</u>	<u>AL</u>	<u>FAIN #</u>
Medical Assistance Program (SEMI)	93.778	2505NJ5MAP
Child Nutrition Cluster:		
National School Lunch Program	10.555	251NJ304N1099
National School Lunch Program – HHFKA	10.555	251NJ304N1099
National School Breakfast Program	10.553	251NJ304N1099
Special Milk Program	10.556	251NJ304N1099
Food Distribution Program	10.555	251NJ304N1099
Fresh Fruit and Vegetable	10.582	251NJ304L1603

Hamilton Township School District
Mercer County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section I – Summary of Auditor’s Results (Continued)

Federal Programs (Continued)

- (5) Program Threshold Determination:
Type A Federal Program Threshold > \$750,000.00
Type B Federal Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular Uniform Guidance? Yes

State Programs

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No
- (4) Identification of Major State Program(s):

<u>Program Title</u>	<u>Project Number</u>
State Aid Public Cluster:	
Equalization Aid	495-034-5120-078
Categorical Special Education Aid	495-034-5120-089
Categorical Security Aid	495-034-5120-084
Extraordinary Aid	495-034-5210-044
Reimbursed TPAF Social Security Contributions	495-034-5095-002
SDA Grants:	
Steinert Partial Roof Replacement	1950-050-23-G5HT
Nottingham Partial Roof Replacement	1950-050-23-RS01
Hamilton West Partial Roof Replacement	1950-050-23-RS01
Lawlor Elem Sch Mechanical & Electrical Upgrades	1950-050-23-G5HT

Hamilton Township School District
Mercer County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section I – Summary of Auditor’s Results (Continued)

State Programs (Continued)

- (5) Program Threshold Determination:
Type A State Program Threshold > \$3,000,000.00
Type B State Program Threshold <= \$3,000,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings – None Reported

Compliance Findings – None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – None Reported

State Programs – None Reported

EXHIBIT "K-7"

Hamilton Township School District
Mercer County, New Jersey
For the Fiscal Year Ended June 30, 2025

Schedule of Prior Year Audit Findings

Not Applicable

